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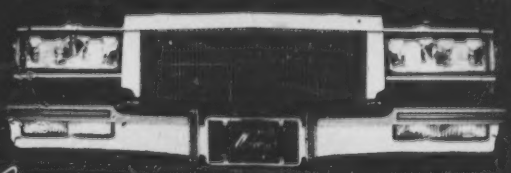

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IUE to seek change in GM profit sharing

By Louise Kertesz
AUTOMOTIVE NEWS STAFF REPORTER

Leaders of the International Union of Electronic Workers have joined top UAW officials in criticizing General Motors for paying millions of dollars in executive bonuses while making no profit-sharing payouts to hourly workers.

Robert Livingston, chairman of the IUE's GM Conference Board and chief negotiator, said that improving the profit-sharing formula will be a major issue in this year's negotiations.

The IUE contract, covering 25,000 workers at eight GM component plants and one assembly plant, expires Sept. 14, as does the UAW's contract.

The IUE, which is the second-largest union representing autoworkers, also has contracts covering 3,000 Ford Motor Co. workers and 2,000 Chrysler Corp. employees. The Ford and Chrysler agreements expire in 1988.

The IUE-GM profit-sharing formula is similar to the one in the UAW-GM contract, said Edward Fire, IUE secretary-treasurer.

Both formulas are based on a percentage of U.S. profits exceeding a minimum annual return that reflects the stockholders' investment.

Fire said, "We're going to have some serious discussions with GM this summer. They sold the UAW the idea of profit sharing in 1982 in exchange for concessions. For years, GM resisted the union strenuously in terms of profit sharing. But in 1982, it was their (GM's) idea.

"They have said consistently, 'You have got to buy in.' Now, we end up with this. How do you explain to people in the plant that $170 million is available for executive bonuses but nothing is available for profit sharing?" Fire said.

DECEMBER TRUCK REGISTRATIONS

		6000 & LESS GVW GRP 1	6,001-10,000 GVW GRP 2	10,001-14,000 GVW GRP 3	14,001-16,000 GVW GRP 4	16,001-19,500 GVW GRP 5	19,501-26,000 GVW GRP 6	26,001-33,000 GVW GRP 7	33,001 & OVER GVW GRP 8	TOTAL 1986	TOTAL 1985
DODGE	MO	36,196	12,726							48,922	35,583
	YR	315,193	152,428							468,621	498,324
*DAKOTA, RAIDER, CARAVAN, RAM VAN/CHARGER, 50/WGN	MO	33,310	6,230							39,540	25,894
	YR	273,606	90,269							363,875	337,044
PLYMOUTH VOYAGER	MO	10,246								10,246	9,321
	YR	106,950								106,950	104,627
TOTAL CHRYSLER CORP.	MO	46,442	12,726							59,168	44,904
	YR	423,143	152,428							575,571	600,951
FORD	MO	64,469	37,509	6			1,717	2,518	934	107,173	111,544
	YR	812,694	483,477	10			11,971	29,939	10,897	1,349,988	1,246,805
*VAN, BRONCO, RANGER & AEROSTAR	MO	48,390	14,006							62,396	53,864
	YR	602,508	150,493							752,901	631,611
FREIGHTLINER	MO								2,267	2,267	2,257
	YR								17,393	17,393	18,708
MERCEDES-BENZ	MO						141	202		343	516
	YR						2,009	1,871		3,880	4,602
TOTAL DAIMLER-BENZ CORP.	MO						141	202	2,267	2,610	2,773
	YR						2,009	1,871	17,393	21,073	23,310
CHEVROLET	MO	49,950	34,147	2,580	61	27	475	793	25	88,058	106,710
	YR	715,302	483,554	28,418	447	300	7,089	10,207	451	1,245,766	1,256,964
*VAN, EL CAMINO, S10 BLAZER & ASTRO	MO	39,183	10,927							50,110	63,410
	YR	548,342	176,774							725,116	718,703
GMC	MO	11,350	11,956	245	18	365	446	1,337	461	26,178	28,121
	YR	161,347	139,966	2,800	237	4,711	6,561	18,267	6,988	340,877	347,577
*VAN, JIMMY, S15, CABALLERO & SAFARI	MO	8,681	3,715							12,396	14,164
	YR	119,439	46,073							165,521	164,751
TOTAL GM CORP.	MO	61,300	46,103	2,825	79	392	921	2,130	486	114,236	134,831
	YR	876,649	623,520	31,218	684	5,011	13,650	28,474	7,439	1,586,645	1,604,541
INTERNATIONAL	MO						1,805	2,020	2,999	6,824	6,777
	YR						19,942	21,861	26,719	68,522	73,463
JEEP TRUCK	MO	17,535	2,279							19,814	22,930
	YR	178,098	17,875							195,973	182,210
*WRANGLER/CJ's, CHEROKEE, WAGONEER & SCRAMBLER	MO	14,599	2,135							16,734	19,576
	YR	145,837	16,357							162,194	171,752
MACK	MO						179	229	1,783	2,191	3,089
	YR						2,284	2,354	17,191	21,829	29,514
KENWORTH	MO								1,081	1,081	1,477
	YR								10,934	10,934	11,981
PETERBILT	MO								1,116	1,116	1,238
	YR								10,176	10,176	12,305
TOTAL PACCAR CORP.	MO								2,197	2,197	2,715
	YR								21,110	21,110	24,286
AUTOCAR	MO								153	153	231
	YR								1,736	1,736	1,803
VOLVO	MO							147	89	236	375
	YR							1,383	1,053	2,436	2,580
WHITE	MO								1,016	1,016	1,358
	YR								7,747	7,747	9,197
TOTAL VOLVO WHITE CORP.	MO							147	1,258	1,405	1,964
	YR							1,383	10,536	11,919	13,560
WESTERN STAR	MO								125	125	172
	YR								1,133	1,133	1,216
MISCELLANEOUS DOMESTIC	MO		254					23	158	435	653
	YR		3,120					122	2,067	5,309	5,934
OTHER IMPORTS	MO	78,207	539	545	56	32	46	120	17	79,571	72,193
	YR	925,421	9,197	5,942	747	324	342	867	89	942,949	870,382
GRAND TOTAL	MO	267,973	99,410	3,376	135	424	4,609	7,398	12,224	395,549	404,545
	YR	3,216,005	1,289,617	37,170	1,431	5,335	50,198	86,691	114,574	4,801,021	4,675,192
1985 YR. TO DATE		3,027,796	1,326,860	36,932	896	6,117	58,874	78,868	139,049		

*—INCLUDES MULTIPURPOSE VEHICLES.
Compiled from official State Records by R.L. Polk & Co. Manufacturers' sales records are used in compiling Oklahoma for 1985 and 1986.
Registrations for Massachusetts are temporarily delayed.

Buick boosts plastics use

SOUTHFIELD, Mich. — Despite some setbacks, suppliers of engineering plastics continue to make gains in vehicle exterior body panel applications.

Buick is making a running change from steel to plastic front fenders on its 1987 LeSabre T-types. Buick was expected to begin production of plastic fenders on the car in December, but technical problems delayed the program.

The fenders are made of a General Electric resin capable of withstanding E-coat (corrosion protection) applications and the high heat of paint ovens. As a result, the fenders can be processed through the assembly plant in the same way steel panels can — a critical factor, GE said.

"This is not a major change, but a major breakthrough," GE's Herbert Hoedl, general manager of the transportation marketing and technology department, said in detailing the application.

"No changes will have to be made in the assembly process to accommodate the plastic fenders."

Buick said it is going to plastics because of the material's lighter weight, resistance to corrosion and ability to withstand minor impacts. Buick would not say whether it plans to expand use of plastic fenders to its entire LeSabre line or to other models.

In Japan, Nissan is using the same GE resin on a new sporty model, the Be-1. The 1-liter car, which is expected to be sold only in Japan, will use plastic for front fenders, front fascia and the rear end.

GE said there would be additional exterior body-panel applications for its plastics later this year. The company said it has performed engineering work on an all-plastic-body, low-volume specialty car for one automaker and is involved in the design of a plastic-paneled sedan as well.

The movement from steel to plastic for outer body panels was dealt a serious blow last year when General Motors said it was putting its GM-80 program on the back burner.

The GM-80, originally a 1990s front-drive, plastic-bodied replacement for the present Chevrolet Camaro and Pontiac Firebird models, was moved to GM's advanced engineering team with no production target date.

The GM-80 would have been the auto industry's first attempt to use plastic bodies in high-volume production.

But Hoedl said the cancellation of the car won't deter the auto industry from using plastics for future body parts.

GM-80 was scrapped primarily because of the difficulty involved in switching to front-wheel-drive, not the use of plastics, Hoedl said.

The overall cost of the GM-80 program also was a major factor. The cars would have carried a base price of $20,000, Hoedl said.

But recent advances in materials and design and manufacturing capabilities have eliminated many of the cost penalties associated with the use of plastics in the days when GM-80 was conceived, GE said.

As a result, the company remains bullish on the market for its materials.

TV

FROM PAGE 3

"Network is less expensive than spot," he said, but the price gap is narrowing.

In the spending by a factory and its dealer ad associations — a new category on the TVB report form — General Motors and its dealer ad groups led the list with $398 million in total TV buys, roughly 20 percent of total automotive TV spending.

There were few surprises in the ranking order. However, of the top 18 companies delineated by TVB, only the spending total by American Motors and its dealer ad groups declined in 1986.

For the first time, TVB reported television ad spending by brand for cars and trucks, including factory and dealer group outlays.

According to the figures released by TVB, TV spending to support Ford Division new cars led the pack, with total TV spending of $116.6 million, well ahead of second-place Chevrolet car spending at $92.8 million. The gap was wider than in 1985 because Ford car spending rose 14 percent while Chevrolet spending decreased 3 percent.

Heavy launch spending by Hyundai rocketed that make into the ranks of the big guys, with total TV spending of $433.6 million.

In addition to the top 15 makes included in the TVB report, the group said Audi TV spending was $33.2 million; Mercedes-Benz, $28.7 million; Cadillac, $26.6 million; Chrysler, $20.8 million; Plymouth, $18.6 million; and Lincoln, $9.7 million.

In the competitive truck market, Toyota spent the most in 1986, with a total of $82.7 million. Toyota passed 1985 truck leader Nissan with a 34 percent year-to-year increase, compared to a 13 percent boost for Nissan.

And once again, Ford-brand spending topped Chevrolet, although in the truck category it was for third place behind the top two Japanese imports.

Interestingly, on a combined car-and-truck brand basis, the Ford brand received television advertising support of $186.2 million last year, compared with $153.4 million for Chevrolet.

In car advertising, the disparity between the two was a difference of $21 additional network advertising for Ford, while in the truck category, Ford outspent Chevrolet by about $10 million in spot advertising, with network work expenditures very close.

Total local-market advertising by individual dealers rose 9 percent in 1986 to $339 million, from $311.1 million in 1985.

Long-time TV marketer Cal Worthington-Los Angeles led the pack. Worthington-Los Angeles' total spending declined slightly, but remained above $4 million. Cal Worthington-Seattle increased its spending 21 percent, while Cal Worthington-Sacramento boosted its budget 16 percent.

The result was that those three Worthington operations were in the top five in dealer TV spending and accounted for a total of $9.1 million in TV commercials in three West Coast markets.

Traditional big spender Potamkin Cadillac-New York whacked its TV ad budget by $1 million, or some 40 percent.

LEADING AUTOMOTIVE MANUFACTURERS ON TELEVISION

	— 1985 —			— 1986 —			
	Network	Spot TV	Total TV	Network	Spot TV	Total TV	% Change
General Motors	183,339,600	177,808,300	361,147,900	204,320,000	193,871,100	398,191,100	+ 10
Ford Motor Co.	191,373,200	76,467,200	267,840,400	183,512,400	116,164,400	299,676,800	+ 12
Chrysler Motors	96,194,300	60,921,400	157,115,700	96,450,700	64,584,100	161,034,800	+ 2
Toyota Motor Sales	27,793,200	78,793,600	106,586,800	33,104,000	126,672,800	159,776,800	+ 50
Nissan Motor Co.	34,859,600	90,792,000	125,651,600	46,266,200	91,520,900	137,787,100	+ 10
Volkswagen	34,892,300	25,397,900	60,290,200	49,418,300	36,696,500	86,114,800	+ 43
Mazda Motor Corp.	38,775,600	18,108,300	56,883,900	39,143,900	32,238,100	71,382,000	+ 25
Honda Motor Co.	32,697,300	12,095,100	44,792,400	35,706,500	34,787,200	70,493,700	+ 57
American Motors	52,690,400	18,274,100	70,964,500	50,585,200	17,946,900	68,532,100	– 3
Hyundai Corp.	0	0	0	4,077,300	39,519,600	43,596,900	Infin.
Subaru	10,523,700	20,145,900	30,669,600	14,072,000	27,905,500	41,977,500	+ 37
BMW	10,736,800	16,411,700	27,148,500	17,559,600	16,560,600	34,120,200	+ 26
Isuzu Motor Co.	5,377,600	7,349,400	12,727,000	5,931,400	23,167,100	29,098,500	+129
Mercedes-Benz	17,421,500	4,390,100	21,811,600	25,182,800	3,567,000	28,749,800	+ 32
Mitsubishi Corp.	0	15,704,400	15,704,400	3,382,700	23,862,800	27,245,500	+ 73
Volvo	435,800	10,483,000	10,918,800	3,986,800	10,805,400	14,792,200	+ 35
Suzuki	0	806,600	806,600	0	12,377,200	12,377,200	+1434
Bricklin Industries	0	14,600	14,600	7,630,500	3,353,100	10,983,600	Infin.
TOTAL	$741,665,700	$648,040,000	$1,389,705,700	$824,921,100	$909,063,800	$1,733,984,900	+ 25

NOTE: Includes passenger cars, trucks and vans, leasing of these vehicles. Non-car and non-truck advertising by these companies is excluded. Exclusions are as follows: General Motors - $28,779,500 in 1985 for parts and service, A.C. Delco, Goodyear, GMAC Financing and MAC Motors Financing and $32,424,700 in 1986; Ford Motor Co. - $302,500 for farm equipment, parts & service and Motorcraft in 1985, and in 1986, $5,838,400 in 1986 for First Nationwide Network and the preceding from 1985; Chrysler Corp. $4,200 in 1985 and $10,300 in 1986 for Gulfstream Aerospace; Toyota - $37,200 in 1985 and $199,700 in 1986 for parts and service; Nissan - $27,800 in 1985 for parts and service; Volkswagen - $94,600 in 1985 and $3,500 in 1986 for Adler and Royal products; Honda - $30,868,600 in 1985 and $31,275,700 in 1986 for terrain vehicles, garden equipment, generators, motorcycles and snow removal equipment; BMW - $813,900 in 1985 and $489,400 in 1986 for motorcycles; and Mitsubishi - $207,600 in 1985 and $15,000 in 1986 for color TV, footwear.

SOURCE: TELEVISION BUREAU OF ADVERTISING from analysis of Broadcast Advertisers Reports data.

AUTOMOBILES BY NAMEPLATE — LEADING 1986 TELEVISION ADVERTISERS

	— 1985 —			— 1986 —			
	Network	Spot TV	Total TV	Network	Spot TV	Total TV	% Change
Ford	$74,406,700	$27,537,600	$101,944,300	$75,433,400	$41,150,700	$116,584,100	+ 14
Chevrolet	57,373,300	38,406,500	95,779,800	54,172,300	38,590,800	92,763,100	– 3
Toyota	17,691,600	26,628,900	44,320,500	19,818,200	56,213,300	76,031,500	+ 72
Honda	32,697,300	12,095,100	44,792,400	35,706,500	34,787,200	70,493,700	+ 57
Pontiac	30,844,000	30,493,500	61,337,500	31,413,800	41,114,700	72,528,500	+ 18
Nissan	18,385,300	43,603,400	61,988,700	26,273,700	39,271,000	65,544,700	+ 6
Oldsmobile	20,723,400	35,966,400	56,689,800	26,222,600	37,983,200	64,205,800	+ 13
Volkswagen	26,593,100	13,808,900	40,402,000	33,812,400	19,093,600	52,906,000	+ 31
Buick	21,053,100	26,202,600	47,255,700	23,042,400	24,720,300	47,762,700	+ 1
Mercury	33,375,500	15,514,300	48,889,800	31,433,600	15,364,600	46,798,200	– 4
Hyundai	0	0	0	4,077,300	39,519,600	43,596,900	—
Dodge	24,619,400	18,519,500	43,138,900	22,536,800	20,257,800	42,796,600	– 1
Mazda	25,321,900	13,120,500	38,442,400	21,479,500	18,913,400	40,392,900	+ 5
Subaru	10,523,700	20,145,900	30,669,600	14,072,000	25,674,200	39,746,200	+ 30
BMW	10,736,800	16,411,700	27,148,500	17,559,600	16,560,600	34,120,200	+ 26

NOTE: Includes leasing. Expenditures for television commercials advertising two nameplates or vehicle types divided between the two brands.

SOURCE: Special analysis by the Television Bureau of Advertising of data compiled by Broadcast Advertisers Reports

LEADING AUTO DEALER TELEVISION ADVERTISERS IN 1986

	1985	1986	Percent Change
Cal Worthington - Los Angeles	4,153,400	4,020,000	– 3
Frontier Ford - Dallas	312,000	2,874,900	+821
Cal Worthington - Seattle	2,097,500	2,538,800	+ 21
Potamkin Cadillac - New York	2,551,500	1,522,900	– 40
Cal Worthington - Sacramento	2,172,600	2,515,600	+ 16
Wilson Ford - Los Angeles	2,123,400	2,508,200	+ 18
Celozzi-Ettleson - Chicago	2,006,800	1,635,200	– 19
Long-Lewis Ford - Birmingham	1,535,900	1,580,500	+ 3
Pete Ellis Motors - Los Angeles	1,894,300	1,550,000	– 18
Toresco Autoland - New York	46,700	1,266,100	+2611
Jeff Legum Chevy/Datsun - Baltimore	1,707,000	1,262,800	– 26
Ocean Cadillac - Miami	545,700	1,128,000	+107
Kelley Chevrolet - Miami	1,714,800	1,107,000	– 35
Subaru Ford - Sacramento	1,570,300	1,096,100	– 30
Sonoyta Subaru - Phoenix	918,900	1,089,400	+ 19
TOTAL	$311,211,700	$339,001,500	+ 9

SOURCE: Television Bureau of Advertising from analysis of Broadcast Advertisers Reports data in the top 76 markets.

TRUCKS, VANS, JEEPS, PICKUPS — LEADING 1986 TELEVISION ADVERTISERS

	— 1985 —			— 1986 —			
	Network	Spot TV	Total TV	Network	Spot TV	Total TV	% Change
Toyota	$10,101,600	$51,747,600	$61,849,200	$13,285,800	$69,416,900	$82,702,700	+ 34
Nissan	16,474,300	47,174,200	63,648,500	19,992,500	52,082,000	72,074,500	+ 13
Ford	41,254,400	18,514,800	59,769,200	35,260,000	34,335,100	69,595,100	+ 16
Chevrolet	32,282,900	20,176,600	52,459,500	35,870,600	24,778,500	60,649,100	+ 16
Dodge	23,420,400	17,066,100	40,486,500	19,467,100	19,421,600	38,888,700	– 4
Jeep	17,125,900	6,778,600	23,904,500	27,955,400	9,778,900	37,734,300	+ 58
Mazda	13,311,500	4,987,800	18,299,300	17,664,800	13,324,700	30,989,500	+ 69
Isuzu	2,947,200	2,815,000	5,762,200	4,870,100	12,738,800	17,608,900	+206
GMC	338,400	7,328,800	7,667,200	3,144,500	10,028,500	13,173,000	+ 72
Mitsubishi	0	7,378,000	7,378,000	3,382,700	9,435,500	12,818,200	+ 74

NOTE: Expenditures for television commercials advertising two nameplates or vehicle types divided between the two brands.

SOURCE: Special analysis by the Television Bureau of Advertising of data compiled by Broadcast Advertisers Reports

Import car sales could hit 3.4 million in 1987

By Roger Rowand

Foreign automakers are poised to take a bigger bite of the succulent U.S. car market.

Based on 1987 sales projections by the import companies compared to last year's sales, that larger mouthful will come despite the still weakening U.S. dollar.

The rise of imports will also fly in the face of the Japanese makers' agreement to restrict their imports to 2.3 million vehicles in the fiscal year starting April 1. That import total is unchanged from the number permitted into this country under the Voluntary Restraint Agreement (VRA) in fiscal year 1986.

The relationship of the dollar to foreign currencies — the exchange rate — is a critical element in the worldwide competitive picture, of course. When the dollar weakens, as it has recently against the West German mark and the Japanese yen, goods purchased overseas are theoretically less attractive to Americans who, when shopping for imports, may have to carry their money in a wheelbarrow rather than a wallet.

The value of the American buck versus the yen has plunged about 60 percent over the past two years and prices of Japanese cars have shot upward as a direct result. The dollar's value relative to the British pound has remained comparatively stable in recent months, although well below the usual of past years.

In general, this year's market conditions are similar to those of 1986. Last year there was a slight downturn in market share for imports, which was masked somewhat by a gain in unit volume.

Sales of foreign cars in this country dipped to 2,836,973 units last year from 3,237,647 in 1985, a drop of 12.38 percent.

In terms of market share, the imports took 24.77 percent of total U.S. sales of 11,452,310 units in 1986 and 29.32 percent of a total market of 11,041,513 in 1985, according to *Automotive News* data analysis.

However, the American International Automobile Dealers Association is predicting sales of at least 3,380,000 import cars in the U.S. this year — or nearly a 30-percent share of an estimated total of 11,380,000 passenger cars sold.

Many of this year's new import entries have optimistic forecasts for their first year in the competitive U.S. market.

Hyundai, whose Excel model went on sale but a year ago and immediately began setting sales-per-dealership records, has boosted its sales prediction several times. The most recent boost pushes the projection to 240,000 units this calendar year.

Last month the Korean company opened a Chicago-area sales office to serve 14 Midwest states where Hyundais had not yet been sold — a move it originally had not planned to make until early 1988.

More optimism, if more restrained, is demonstrated by purveyors of the Austin Rover Sterling. Austin Rover Cars of North America hopes to sell some 27,000 units in its first full year in the U.S. sales arena with that built-in-Britain entry.

The Range Rover is another new entry from the United Kingdom, and its importers expect to sell 2,500 in its first year then step sharply up to 5,000 in the second year and build from that base.

New from Europe, too, is the Renault Medallion. A first full-year sales forecast for that line puts the March-to-March total at 50,000 units.

Those expectations are dwarfed by those of the relative newcomer, Yugo, the Yugoslavian upstart many in the business said would fade quickly after a fast start out of the gate. The company expects to sell 70,000 units this year, up a rollicking 94.67 percent from the 34,959 cars delivered in 1986.

Volkswagen also expects a strong year with retail deliveries of about 240,000 units. That will compare with dealer deliveries of 143,318 in 1986 for a gain of 94.67 percent.

Audi deliveries, on the other hand, could fall 16.38 percent. The company said they plan to sell 50,000 units in the U.S., down from 59,797 the year before.

Alfa Romeo sales will climb substantially in terms of percentage — if not numbers of units. The gain is expected to be 21.94 percent as deliveries move to 10,000 cars from the 8,201 sold in 1986.

BMW sales are expected to move up to 100,000 units from the 96,287 sold in 1986. The importer regularly forecasts an annual 5-percent sales gain.

Jaguar importers say they anticipate a 10-percent increase in deliveries above the 24,464 units they brought in during 1986.

Mercedes-Benz importers are even more optimistic as they look in their crystal ball and see an increase in deliveries to 103,000 units from 1986's 99,314. That would indicate that a rise of 37.11 percent is coming, a healthy boost in any man's marketplace.

Ford Motor Co.'s Lincoln-Mercury Division expects plenty of action in its corner of the import sales ring. There will be a new entry wearing the Merkur badge, the Scorpio. It will join the slick two-door XR4Ti coupe. Sales of those two cars shape up this way in 1987, the division says: XR4Ti sales will move down to about 10,000 units from 14,315 in 1986, as sales of the new entry, Scorpio, will be between 6,000 and 8,100 units, Lincoln-Mercury said.

Tracer, the little Lincoln-Mercury entry-level car coming in from Mexico, is expected to account for about 40,000 sales in 1987, its first year in the U.S. The same car with the same name will be built in Taiwan for sale in Canada.

The Ford Festiva, from Korea, another entry-level offering new for 1987, is expected to ring up a sales total of between 65,000 and 75,000 units in its first year and then move to at least 85,000 for the next five years.

Peugeot sales are expected to remain close to the total of 17,000 brought into the country from France last year.

Porsche imports, too, are foreseen as remaining relatively stable at 30,000 or 31,000 units. In 1986, a total of 30,471 Porsche cars were sold in the United States.

Volvo sales this calendar year are seen climbing by an amount ranging from 1 to 9 percent, from the 113,267 units delivered in 1986.

The issue of how the Japanese "voluntary quota" of 2.3 million units will be divvied up among manufacturers was still up in the air at press time.

There was some speculation on the West Coast that the quota for new entries "will be taken out of the hide of people with large U.S. inventories."

That line of thought might mean the quotas of Isuzu and Mitsubishi might be cut by enough to allow new entries into the United States within the 2.3-million bogey.

In examining the Japanese import situation it must be remembered that Japanese car builders "are going like mad on building their own U.S. plants," in the words of one West Coast industry observer. In the years ahead that fact is going to ameliorate the impact of quotas.

Daihatsu Motor Co. is the last of the Japanese concerns to move toward North American production. That company, however, is negotiating with Bombardier Inc., a Canadian snowmobile maker, with a joint venture in the production of mini-vehicles and commercial vans in mind. ■

Import model count rises to 304

By John K. Teahen Jr.

For the first time ever, the number of imported-car models on the U.S. market has matched the number of domestic models.

The latest *Automotive News* tabulation found that there are 304 models from overseas and 304 models built in this country available to new-car shoppers.

The domestic total includes transplants — cars built in the U.S. by foreign manufacturers. There are 41 of them. If they were added to the import figure and deducted from the domestic count, the imports would have a wide edge.

The totals will change as the weeks go by. New imports, including the Mercury Tracer, Ford Festiva and Acura Legend two-door will be coming from overseas. And at least one model, the Subaru Brat, will be dropped from the car count and moved into the truck category.

The domestic marketers probably have a few spring models on tap, too. But, as of today, it's a dead heat — 304 imports and 304 domestics.

It was a different story a year ago. At that time, the domestics offered 321 selections, compared to 255 for the imports. The domestic makers are trying to stem the model proliferation; the imports apparently don't care to indulge in such activities.

There are more than twice as many import makes on the market as there are domestic lines. *Automotive News* counts 38 makes of imported cars on the U.S. scene vs. 17 domestics. Both numbers include the five transplants that have a foot in both camps — they make 'em here, and they bring 'em in from overseas. The transplants are Honda, Nissan, Renault, Toyota and Volkswagen.

The number of import models has doubled in the past 10 years. There were 152 in March 1977 and 304 today.

The 38 imported makes on the market today include only two newcomers from a year ago. Both are from Great Britain, and both are in the luxury class. They are the Sterling sedan and the Range Rover wagon.

Japan dominates the import model count just as it dominates the import sales statistics. There are 157 Japanese selections, not including the 19 Japanese cars assembled in this country by Honda, Toyota and Nissan.

West Germany is next on the list with 60 models, followed by Great Britain, 22; Sweden, 19; Italy, 19; France, 16; South Korea, 8; and Yugoslavia, 3.

Toyota leads the imports with 33 models, and Subaru is a step behind with 32. Mazda and Nissan are next with 20 apiece. The Nissan total suffers from "transplantitis." Ten Sentra models are assembled in the United States and, thus, are included in the domestic total. Toyota also has some U.S.-builts — three Corolla FX choices.

The domestic and import model totals are even, and there's not much difference in the breakout by body styles. The domestics have a few more four-door sedans; the imports have a few more two-door selections. The imports are ahead in convertibles; the domestics lead in wagons.

Here's the comparison:

	Imports	Domestics
4-door models	116	119
2-door models	134	129
Convertibles	16	13
Station wagons	38	43
TOTALS	304	304

There's only one two-door model among the 81 station wagons. That is the new Brazilian-built Volkswagen Fox.

In both the import and domestic camps, the makers often call their hatchbacks three-door or five-door models. *Automotive News* takes the traditional approach; only the side doors are counted.

In counting import models, *Automotive News* uses the same criteria as in tabulating domestic cars. A choice of transmissions (four-speed, five-speed or automatic) or a choice of engines (gasoline or diesel) does not necessarily constitute a separate model.

Vans and sport/utility vehicles are excluded from the totals for both imports and domestics.

Turbo units and four-wheel-drive cars are counted separately when they are priced that way. It is felt that they have enough differences in trim, equipment and mechanicals to merit separate-model designation.

Targa-type autos — those with removable solid roof panels — are listed as two-door models, not as convertibles.

As noted, cars that foreign-based manufacturers assemble in the United States are included in the domestic total, not the import total. ■

Imported-Car Models Offered in U.S.

	4-Door Models	2-Door Models	Convertibles	Wagons	1987 Totals	(Totals, Mar. 1, 1986)
Acura	3	2	0	0	5	(5)
Alfa Romeo	3	0	3	0	6	(4)
Aston Martin	1	2	2	0	5	(4)
Audi	5	1	0	2	8	(9)
Bentley	1	0	1	0	2	(3)
Bertone	0	1	0	0	1	(1)
BMW	10	6	1	0	17	(10)
Chevrolet Spectrum	1	1	0	0	2	(2)
Chevrolet Sprint	1	3	0	0	4	(2)
Chrysler Conquest*	0	1	0	0	1	(1)
Dodge Colt	3	2	0	0	5	(5)
Dodge Conquest	0	0	0	0	0	(1)
Ferrari	0	4	1	0	5	(5)
Honda**	0	8	0	2	10	(11)
Hyundai	5	3	0	0	8	(5)
Isuzu	2	3	0	0	5	(4)
Jaguar	2	2	1	0	5	(3)
Lamborghini	0	2	0	0	2	(2)
Lotus	0	1	0	0	1	(1)
Maserati	2	2	1	0	5	(5)
Mazda	7	12	0	1	20	(16)
Mercedes-Benz	10	2	0	1	13	(9)
Merkur (Mercury)	0	1	0	0	1	(1)
Mitsubishi	6	9	0	0	15	(12)
Nissan**	5	12	0	3	20	(24)
Peugeot	9	0	0	4	13	(7)
Plymouth Colt	3	2	0	0	5	(5)
Porsche	0	8	1	0	9	(7)
Range Rover	0	0	0	1	1	(0)
Renault**	2	0	0	1	3	(1)
Rolls-Royce	3	0	1	0	4	(5)
Saab	4	3	1	0	8	(7)
Sterling	2	0	0	0	2	(0)
Subaru	8	15	0	9	32	(26)
Toyota**	8	18	1	6	33	(28)
TVR	0	1	1	0	2	(2)
Volkswagen**	4	4	1	3	12	(8)
Volvo	6	0	0	5	11	(13)
Yugo	0	3	0	0	3	(1)
1987 TOTALS	116	134	16	38	304	
TOTALS (March 1, 1986)	101	113	10	31		(255)

*Chrysler Conquest was Plymouth Conquest in 1986.

**U.S.-built models of Honda, Nissan, Renault, Toyota and Volkswagen are omitted from the import model count. They are included in the U.S. model tabulation.

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Hyundai gets parts locator

Hyundai Motor America has added a national parts locator to its Dealer Intercon System, developed by ADP Dealer Services.

The national parts locator will allow Hyundai dealerships to locate and sell parts instantly across a city or the nation.

Bruce Campbell, group vice president-parts, service and information services for HMA, said, "The parts locator will speed up parts and servicing in our dealerships. That means the ultimate benefactor is our customer."

All 165 Hyundai Dealer Intercon on-line dealerships will have the national parts locator installed by May. As new Hyundai dealerships open, their systems will automatically include the parts locator. ■

Ford boosts Halla investment in South Korea

The South Korean government has given permission to Climate Control Division, Ford Motor Co., to increase its investment in Halla Climate Control Co. in Seoul from $3 million to $8 million.

Halla, a 50-50 joint venture between Ford and South Korea's Mando Corp., will launch production of radiators in June and air conditioners at a later date, both for export to Ford in the United States and South Korea. Mando indicated it would boost its investment in Halla by $5 million to retain its 50 percent equity. ■

Japan imports record high

The total number of registrations of imported cars in Japan in 1986 hit a record high with an increase of 36 percent over the previous year. By country, imports from all major automobile producing nations registered increases over the previous year.

	1986	1985	%
U.S.	2,345	1,816	129.1
U.K.	4,033	2,513	160.5
W. Germany	53,916	40,157	134.3
France	1,729	1,009	171.4
Italy	3,046	2,492	122.2
Sweden	3,151	2,033	155.0
Others	137	152	90.1
Total	68,357	50,172	136.2

Source: Japan Ministry of Transport

Ground broken on new Mazda computer center

A $1 million computer facility is under way in Irvine Spectrum, Calif., for Mazda Motors of America (Central) Inc.

The 5,000-square-foot center, with a 1,500-square-foot area reserved for future expansion, was designed and is being built by Computer Facilities Services Group Inc., Cypress, Calif.

It's part of a $16-million, 118,-700-square-foot Mazda Motors headquarters building that will be completed by April.

The computer room will house the IBM 3083 mainframe, and will be used by Mazda dealers in 31 states, who will be on-line to the 3083 for vehicle part and parts inventory and ordering. ■

German imports: Japan's favorites

Sales of imported cars in Japan in January rose 38.2 percent over the same month the year before to 4,170 units, marking the 37th consecutive monthly increase, according to the Japan Automobile Importers Association.

JAIA said imports from West Germany recorded the highest sales in January with 3,128 units, up 31.4 percent from 1986 for 75.0 percent of the import market.

West German cars took the top four spots on the best-sellers list, led by Mercedes-Benz with 1,031 units, up 72.4 percent from a year ago. Volkswagen followed with 914 units, up 16.3 percent; BMW with 681 units, up 3.2 percent; and Audi, with 416, up 40.1 percent.

By nations of origin, United Kingdom sold 242 units, up 44.0 percent and 5.8 percent of the market; France, 148 units, up 224.2 percent and 3.6-percent market share; Italy, 199, up 28.4 percent and a 4.8-percent share.

Other countries and the number of cars sold in January compared to the year-ago month: Sweden, 256 units, up 73.0 percent for a 6.1-percent market share; United States, 187 units, up 103.3 percent for a 4.5-percent market share; all others, 10 units, up 42.9 percent and share of 0.02 percent.

General Motors sold 140 units; Ford, 34; Chrysler, nine; and American Motors, four. ■

— Frank Gawronski

Toyota fires up Australian plant

Toyota Motor Corp. will begin building about 30,000 Camry cars and station wagons annually in Australia this spring.

Toyota's joint venture with Australian Motor Industries Ltd., is assembling Corona and Corolla cars at an annual rate of about 50,000 units. Engines for the cars are supplied by another joint venture, Toyota Manufacturing Ltd.

Toyota said it will stop making Corona cars in Australia because of shrinking sales and replace it with the 2.0-liter Camry. Camry cars and wagons eventually will be exported to other countries, including New Zealand. ■

— F.G.

Comeback is seen for China's output

The Chinese auto industry is expected to bounce back in 1987 from last year's poor showing and produce about 365,000 vehicles, an increase of 3.1 percent above last year's output.

China's Xinhua News Agency quoted the China Automobile Industry Corp. (CAIC) as saying the industry will increase light truck production 3.6 percent over last year to 136,200, while cutting back production of medium trucks about 6 percent. CAIC said Jeep and car output will be increased slightly, but did not disclose figures.

Production in 1986 dropped to 354,000 units, about 11.5 percent down from last year's 400,000.

The decrease was attributed to a surplus of imported vehicles in the country and a fuel shortage. The government has since raised tariffs more than 200 percent on some imported vehicles. ■

— F.G.

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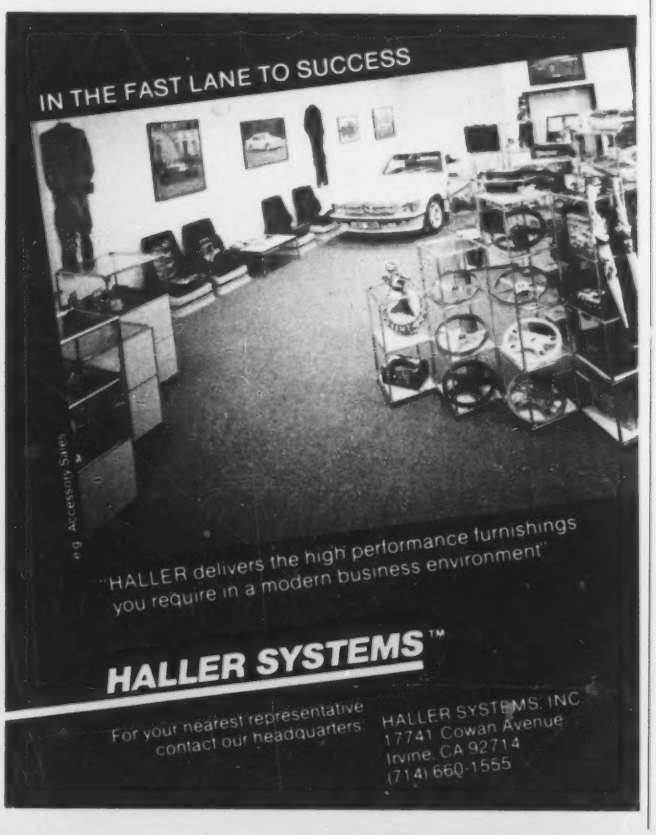
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Car output in U.S. dips 4% for 1986

By Kathy Barbaglia
AUTOMOTIVE NEWS STAFF REPORTER

U.S. auto production for the 1986 calendar year dipped 4.35 percent from the 1985 total.

According to the companies' revised figures, 7,829,697 cars were assembled last year. That compares with 8,186,040 in 1985.

Five companies reported production gains over the prior year.

New United Motor Manufacturing Inc. more than tripled its production to 205,854 vs. 64,601 in 1985; Honda of America Manufacturing Inc. was up 70.75 percent to 248,159 from 145,337; Nissan Motor Manufacturing Co., U.S.A., rose 48.70 percent to 65,147 from 43,810; Ford Motor Co. climbed 7.83 percent to 1,764,316 from 1,636,150; and Chrysler Motors advanced 1.71 percent to 1,287,659 from 1,266,068.

Three manufacturers reported lower production in 1986 than in 1985.

American Motors was down 55.52 percent to 49,435 from 111,138; General Motors built 4,124,730 cars, down 14.47 percent from 4,822,478; and Volkswagen of America dipped 12.50 percent to 84,397 from 96,458.

Three nameplates topped 300,000 units in 1986 production. Chevrolet Cavalier, with 395,154, was the leader for the third consecutive year; Ford Escort was second with 378,359; and Ford Taurus was third with 335,669.

Oldsmobile 88 was fourth with 272,318, and Chevrolet Celebrity was fifth with 257,983.

U.S. CAR OUTPUT, CALENDAR YEAR 1986 VS. 1985

	1986 Calendar Year	Pct. of Output	1985 Calendar Year	Pct. of Output	Pct. of Change '86 vs. '85
AMERICAN MOTORS	49,435	0.63	111,138	1.36	−0.73
Renault Total	49,435	0.63	111,138	1.36	−0.73
Alliance	46,088	0.59	74,292	0.91	−0.32
Encore	3,347	0.04	36,846	0.45	−0.41
CHRYSLER MOTORS	1,287,659	16.45	1,266,068	15.47	+0.98
Plymouth Total	422,618	5.40	369,487	4.51	+0.88
Horizon	171,882	2.20	142,611	1.74	+0.45
Sundance	36,855	0.47	0	0.00	+0.47
Reliant	151,695	1.94	162,690	1.99	−0.05
Caravelle**	44,368	0.57	49,006	0.60	−0.03
Gran Fury	17,818	0.23	15,180	0.19	+0.04
Chrysler Total	368,637	4.71	414,193	5.06	−0.35
Laser	25,327	0.32	52,209	0.64	−0.31
LeBaron	83,163	1.06	96,339	1.18	−0.11
LeBaron J Coupe	4,043	0.05	0	0.00	+0.05
LeBaron GTS	68,699	0.88	95,187	1.16	−0.29
N.Y./E-Class	64,964	0.83	64,342	0.79	+0.04
Fifth Avenue	122,441	1.56	106,116	1.30	+0.27
Dodge Total	496,404	6.34	482,388	5.89	+0.45
Daytona	33,097	0.42	47,746	0.58	−0.16
Omni	163,416	2.09	136,823	1.67	+0.42
Shadow	35,107	0.45	0	0.00	+0.45
Aries	126,311	1.61	135,186	1.65	−0.04
Dodge 600	64,063	0.82	66,835	0.82	0.00
Lancer	47,817	0.61	65,097	0.80	−0.18
Diplomat	26,593	0.34	30,701	0.38	−0.04
FORD MOTOR	1,764,316	22.53	1,636,150	19.99	+2.55
Ford Division	1,221,956	15.61	1,098,647	13.42	+2.19
Escort	378,359	4.83	344,589	4.21	+0.62
EXP	0	0.00	3,842	0.05	−0.05
Mustang	177,737	2.27	187,776	2.29	−0.02
Tempo	198,808	2.54	188,124	2.30	+0.24
LTD	0	0.00	184,431	2.25	−2.25
Taurus	335,669	4.29	12,250	0.15	+4.14
Thunderbird	131,383	1.68	170,513	2.08	−0.40
Crown Victoria	0	0.00	7,122	0.09	−0.09
L-M Division	542,360	6.93	537,503	6.57	+0.36
Mercury Total	359,325	4.59	374,426	4.57	+0.02
Lynx	60,246	0.77	75,078	0.92	−0.15
Capri	12,344	0.16	20,095	0.25	−0.09
Topaz	57,576	0.74	54,060	0.66	+0.07
Cougar	101,829	1.30	129,788	1.59	−0.28
Marquis	0	0.00	84,862	1.04	−1.04
Sable	127,330	1.63	5,810	0.07	+1.56
Grand Marquis	0	0.00	4,733	0.06	−0.06
Lincoln Total	183,035	2.34	163,077	1.99	+0.35
Continental	19,628	0.25	25,259	0.31	−0.06
Lincoln	137,286	1.75	119,787	1.46	+0.29
Mark VII	26,121	0.33	18,031	0.22	+0.11
GENERAL MOTORS	4,124,730	52.68	4,822,478	58.89	−6.23
Buick Total	775,966	9.91	1,001,461	12.23	−2.32
Skyhawk	82,429	1.05	105,617	1.29	−0.24
Century	230,137	2.94	299,104	3.65	−0.71
Regal	60,897	0.78	137,018	1.67	−0.90
Skylark (X-Car)	0	0.00	40,953	0.50	−0.50
Somerset/Skylark	112,773	1.44	125,593	1.53	−0.09
LeSabre (fwd)	156,869	2.00	9,960	0.12	+1.88
LeSabre/Electra	15,192	0.19	96,652	1.18	−0.99
Electra	91,559	1.17	138,682	1.69	−0.52
Riviera	26,110	0.33	47,882	0.58	−0.25
Cadillac Total	319,096	4.08	322,765	3.94	+0.13
Cimarron	23,247	0.30	26,709	0.33	−0.03
Allante	53	0.00	0	0.00	0.00
Brougham (rwd)	76,469	0.98	39,773	0.49	+0.49
DeVille (fwd)	171,607	2.19	174,310	2.13	+0.06
Eldorado	25,246	0.32	53,301	0.65	−0.33
Seville	22,474	0.29	28,678	0.35	−0.06
Chevrolet Total	1,310,710	16.74	1,627,767	19.88	−3.14
Chevette	105,488	1.35	153,883	1.88	−0.53
Camaro	172,585	2.20	214,429	2.62	−0.42
Cavalier	395,154	5.05	492,004	6.01	−0.96
Celebrity	257,983	3.29	264,097	3.23	+0.07
Citation	0	0.00	28,697	0.35	−0.35
Corsica/Beretta	17,200	0.22	0	0.00	+0.22
Monte Carlo	110,048	1.41	138,532	1.69	−0.29
Chevrolet	223,842	2.86	289,821	3.54	−0.68
Corvette	28,410	0.36	46,304	0.57	−0.20
Oldsmobile Total	927,173	11.84	1,168,982	14.28	−2.44
Firenza	38,212	0.49	62,152	0.76	−0.27
Calais	120,629	1.54	149,829	1.83	−0.29
Cutlass Ciera	236,613	3.02	356,798	4.36	−1.34
Cutlass Supreme	107,036	1.37	235,496	2.88	−1.51
88 (fwd)	272,318	3.48	23,460	0.29	+3.19
88 (rwd)	19,028	0.24	168,940	2.06	−1.82
Olds 98	114,558	1.46	143,277	1.75	−0.29
Toronado	18,779	0.24	29,030	0.35	−0.11
Pontiac Total	791,785	10.11	701,503	8.57	+1.54
Acadian**	16,539	0.21	16,602	0.20	+0.01
Fiero	69,735	0.89	109,569	1.34	−0.45
1000	16,814	0.21	24,895	0.30	−0.09
Firebird	105,109	1.34	114,290	1.40	−0.05
2000 Sunbird	130,167	1.66	142,947	1.75	−0.08
Grand Am	231,318	2.95	143,259	1.75	+1.20
6000	132,385	1.69	58,952	0.72	+0.97
Bonneville	39,886	0.51	0	0.00	+0.51
Parisienne	49,832	0.64	90,989	1.11	−0.48
HONDA	248,159	3.17	145,337	1.78	+1.39
Civic	34,348	0.44	0	0.00	+0.44
Accord	213,811	2.73	145,337	1.78	+0.96
NISSAN	65,147	0.83	43,810	0.54	+0.30
NUMMI	205,854	2.63	64,601	0.79	+1.84
Corolla	14,318	0.18	0	0.00	+0.18
Nova	191,536	2.45	64,601	0.79	+1.66
VOLKSWAGEN	84,397	1.08	96,458	1.18	−0.10
Golf/GTI	83,247	1.06	96,458	1.18	−0.12
Jetta	1,150	0.01	0	0.00	+0.01
Total Cars U.S.	7,829,697	100.00	8,186,040	100.00	

January output drops in Japan

TOKYO — Japan's production of cars, trucks and buses in January slipped to 936,916 units, down 3.3 percent from last year. It was the fourth consecutive month that output trailed the year-ago total.

Production declined 5.0 percent in October, 9.6 percent in November and 3.2 percent in December. The Japan Automobile Manufacturers Association attributed the slump to declining domestic sales and exports.

Car production in January dropped to 593,241 units, down 3.9 percent from a year earlier. Truck output declined 2.3 percent to 340,428 and buses were off 1.4 percent to 3,247 units.

JAMA said cumulative output of vehicles for the period from April 1986 (the beginning of the Japanese automakers' fiscal year) through January totaled 10,093,102 units, down 1.8 percent from the same period a year earlier.

Domestic sales in January dropped 2.2 percent to 300,699 units, JAMA said.

Passive-restraint study gets $100,000 from GM

DETROIT — General Motors has given a $25,000 grant to each of four finalists in the automaker's University Design Competition on Passive Restraints for Automobiles.

The schools are Tennessee Technological Institute, Purdue, Texas Tech and Duke. In mid-April, a winner will be named and awarded $100,000.

AUCTION DATES

American Motors

March 10 — Statesville Auto Auction, Statesville, N.C.

March 11 — Kansas City Auto Auction, Kansas City, Mo.

March 12 — Corry Auto Auction, Corry, Pa., and Evansville Auto Auction, Evansville, Ind.

Chrysler Corp.

March 10 — Florida Auto Auction of Orlando, Ocoee, Fla.; Aptco Auto Auction, Taylor, Mich.; Nu-CarPrep System, Santa Fe Springs, Calif.; and Dallas Auto Auction, Grand Prairie, Texas

March 11 — Southern Auto Auction, Warehouse Point, Conn.; A.D.E. of Alabama, Boaz, Ala.; Columbus Fair Auto Auction, Obetz, Ohio; and South Seattle Auto Auction, Kent, Wash.

March 12 — Fredericksburg Auto Auction, Fredericksburg, Va.

March 13 — St. Louis Auto Auction, Bridgeton, Mo.

Ford Motor Co.

March 11 — Atlanta Auto Auction, Red Oak, Ga.; Concord Auto Auction, Acton, Mass.; Columbus Fair Auto Auction, Obetz, Ohio; Salt Lake Auto Auction, Salt Lake City; and Southern California Auto Auction, Fontana, Calif.

March 12 — Arena Auto Auction, Chicago; Dallas Auto Auction, Dallas; and Southwest Auto Auction, Phoenix, Ariz.

March 18 — Lakeland Auto Auction, Lakeland, Fla., and Golden Gate Auto Auction, Fremont, Calif.

March 19 — Aptco Auto Auction, Taylor, Mich.; Denver Auto Auction, Englewood, Colo.; Skyline Auto Exchange, Fairfield, N.J.; and 166 Auto Auction, Springfield, Mo.

March 20 — Interstate Auto Auction, Mercer, Pa.

March 24 — South Seattle Auto Auction, Kent, Wash.

March 25 — Columbus Fair Auto Auction, Obetz, Ohio; Clanton's Auto Auction, Darlington, S.C.; and Southern California Auto Auction, Fontana, Calif.

March 26 — Baltimore-Washington Auto Exchange, Baltimore; Houston Predelivery Center, Houston; and St. Louis Auto Auction, Bridgeton, Mo.

March 31 — Harrisonburg Auto Auction, Harrisonburg, Va., and Indianapolis Auto Auction, Indianapolis

General Motors

March 10 — Denver Auto Auction, Englewood, Colo.

March 11 — Hatfield Auto Auction, Hatfield, Pa.; Indianapolis Auto Auction, Indianapolis; Metro Auto Auction of Kansas City, Kansas City, Mo.; Golden Gate Auto Auction, Fremont, Calif.; and Northstar Auto Auction, Shakopee, Minn.

March 12 — Butler Auto Auction, Gibsonia, Pa.; Aptco Auto Auction, Taylor, Mich.; Big H Auto Auction, Houston; Nashville Auto Auction, Nashville, Tenn.; and Florida Auto Auction of Orlando, Orlando, Fla.

March 17 — Southern Auto Auction, East Windsor, Conn.; Dallas Auto Auction, Dallas; and South Seattle Auto Auction, Kent, Wash.

March 18 — Atlanta Auto Auction, Red Oak, Ga.; Clanton's Auto Auction, Darlington, S.C.; and Omaha Auto Auction, Omaha, Neb.

March 19 — Arena Auto Auction, Chicago; Ohio Auto Auction, Columbus, Ohio; and St. Louis Auto Auction, Bridgeton, Mo.

March 24 — Harrisonburg Auto Auction, Harrisonburg, Va.

March 25 — Hatfield Auto Auction, Hatfield, Pa.; Indianapolis Auto Auction, Indianapolis; Metro Auto Auction of Kansas City, Kansas City, Mo.; Northstar Auto Auction, Shakopee, Minn.; and Golden Gate Auto Auction, Fremont, Calif.

March 26 — Butler Auto Auction, Gibsonia, Pa.; Aptco Auto Auction, Taylor, Mich.; Nashville Auto Auction, Nashville, Tenn.; and Southwest Auto Auction, Phoenix, Ariz.

March 31 — Dallas Auto Auction, Dallas, and 166 Auto Auction, Springfield, Mo.

Used Car Sales
Auction Averages

March to date	$5,703
Month ago	$5,587
Year ago	$4,821

Model Breakdown
Auction Averages

	MAR 1987	FEB 1987	JAN 1987
1987	$13,991	$13,406	$13,158
1986	$9,818	$10,038	$11,481
1985	$7,299	$7,382	$7,054
1984	$5,877	$5,940	$5,811
1983	$4,808	$4,843	$4,995
1982	$3,636	$3,628	$3,599
1981	$2,530	$2,537	$2,614
1980	$2,154	$2,167	$1,997
Overall Average	$5,703	$5,711	$5,129

GE Credit purchases four auto auctions

BARRINGTON, Ill. — GE Credit Auto Auctions has purchased four additional auto auctions: Greater Chicago Auto Auction, Alsip, Ill.; St. Louis Auto Auction, Bridgeton, Mo.; Los Angeles Dealer Auto Auction, Rosemead, Calif.; and Southern California Auto Auction, Fontana, Calif.

GE Credit also operates: South Seattle Auto Auction, Kent, Wash.; Bay Cities Auto Auction, Hayward, Calif.; Denver Auto Auction, Englewood, Colo.; and Harrisonburg Auto Auction, Harrisonburg, Va.

Moonroof for Chrysler LeBaron J-coupe
Sky-Top Sunroofs Ltd., St. Louis, announces the availability of a power moonroof to fit the 1987 Chrysler LeBaron J-coupe. The sliding glass panel is electrically operated.

Michelin to produce tires in Korea with local firm

By Oles Gadacz
SPECIAL CORRESPONDENT

SEOUL, South Korea — France's Michelin has become the first foreign tiremaker to invest in a Korean operation.

The company has entered into a 50-50 joint venture with Wuongpoong, the country's third largest tiremaker.

The announcement follows the failure of Wuongpoong and Goodyear to reach an agreement for a joint venture after more than a year of negotiations.

Discussions are under way for the newly formed Michelin Korea Tire Co. to supply tires to Daewoo Motor Co. and Hyundai Motor Co. Michelin Korea also is looking to Japanese manufacturers for original-equipment business.

The new company will make Michelin brand radial tires at a plant in Yangsan, about 300 miles southwest of Seoul. Plans call for the production of 1.7 million tires this year. By 1990, manufacturing capacity is scheduled to reach 5.3 million car tires and 250,000 truck and bus tires.

By that time, Michelin Korea expects to be exporting $100 million worth of tires throughout the world.

The domestic sales target for 1990 is just over $23 million.

Among Michelin Korea's competitors are Kumho, which manufacturers under license from Uniroyal and supplies Daewoo; and Hankook, which has links with Yokohama and supplies Kia Motors.

The Franco-Korean venture was established with initial capital of $35.3 million, which will be increased $76 million by next year, according to Wuongpoong.

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DOMESTIC CAR SALES

	Feb. 21, to Feb. 28, 1987	Same Period, 1986	Feb. 1987	Same Month, 1986	Jan. 1 to Feb. 28, 1987	Same Period, 1986
Alliance	0	0	2,177	4,617	4,240	8,874
Encore	0	0	0	1,233	0	2,443
Total Renault	0	0	2,177	5,850	4,240	11,317
Eagle	0	0	324	622	682	1,544
Total AMC	0	0	324	622	682	1,544
AMERICAN MOTORS	926	2,672	2,501	6,472	4,922	12,861
Horizon	2,582	2,426	7,103	6,673	13,185	12,781
Sundance	1,859	0	5,007	0	9,301	0
Turismo	960	1,238	2,432	3,615	3,637	6,933
Reliant	3,812	4,024	9,288	11,686	15,203	26,037
Caravelle	1,426	1,102	3,169	2,835	4,871	5,226
Plymouth	146	335	333	1,218	765	2,129
Total Plymouth	10,785	9,125	27,332	26,027	46,962	53,106
Laser	339	430	888	1,364	1,416	3,568
LeBaron K	1,691	2,871	4,199	8,519	7,006	15,913
LeBaron J	1,137	0	2,923	0	4,454	0
LeBaron GTS	1,341	2,287	3,343	5,921	5,369	10,457
Fifth Avenue	1,018	1,741	2,513	5,523	5,389	10,678
New Yorker	1,808	1,063	4,812	3,270	6,850	7,228
Total Chrysler	7,334	8,392	18,678	24,597	30,484	47,844
Omni	2,376	2,039	6,055	6,041	11,129	11,283
Shadow	2,096	0	5,514	0	9,615	0
Charger	1,179	1,369	2,759	3,864	4,123	7,413
Daytona	887	618	2,157	1,821	3,045	4,522
Aries	3,579	2,702	9,112	8,479	14,900	16,687
Lancer	1,015	1,543	3,020	4,063	5,020	6,996
Diplomat	245	491	671	1,692	1,526	3,381
Dodge 600	1,138	1,247	3,210	3,738	5,157	7,285
Total Dodge	12,515	10,009	32,498	29,698	54,515	57,567
CHRYSLER MOTORS	30,634	27,526	78,508	80,322	131,961	158,517
EXP	0	0	0	0	0	0
Escort	9,878	7,650	30,282	29,466	46,259	59,611
Mustang	6,286	3,315	18,657	11,320	28,423	22,709
Tempo	7,482	5,719	22,518	22,774	36,644	47,333
Taurus	8,356	3,542	23,707	10,366	46,465	18,569
Thunderbird	3,135	3,152	9,343	12,719	16,314	25,884
LTD	0	1,027	0	3,987	0	9,153
Crown Victoria	2,743	2,626	8,412	8,705	14,667	17,681
Total Ford Division	37,880	27,022	112,919	99,337	188,772	200,940
Lynx	1,400	1,305	4,549	5,560	7,151	11,664
Topaz	2,039	1,281	6,537	5,652	10,411	11,267
Sable	2,505	1,691	7,348	4,966	12,610	8,420
Cougar	2,451	2,183	7,311	10,137	12,328	20,434
Capri	0	263	0	396	0	1,787
Marquis	0	484	2,510	1,780	2,510	4,082
Grand Marquis	2,756	2,133	6,210	7,232	12,136	14,832
Total Mercury	11,151	9,340	34,465	36,223	57,146	72,486
Continental	372	400	1,194	1,406	2,151	2,863
Lincoln	1,554	2,594	7,067	8,550	14,220	17,247
Mark VII	454	398	1,386	1,382	3,012	2,742
Total Lincoln	2,380	3,392	9,647	11,338	19,383	22,852
Total L-M Division	13,531	12,732	44,112	47,561	76,529	95,338
FORD MOTOR COMPANY	51,411	39,754	157,031	146,898	265,301	296,278
Skyhawk	796	1,837	2,264	4,227	4,609	8,306
Skylark	0	0	0	0	0	0
Somerset Regal	2,029	3,047	5,677	10,465	10,149	21,952
Century	4,182	6,623	10,837	20,325	21,253	41,198
Regal	1,378	2,988	3,627	8,810	6,515	15,589
LeSabre	3,514	2,096	10,085	5,222	19,415	9,801
Electra	1,968	4,650	5,663	10,427	10,850	21,321
Riviera	766	436	2,223	1,240	5,047	2,706
Total Buick	14,633	21,677	40,376	60,716	77,838	120,873
Cimarron	297	484	858	1,338	1,778	2,722
Allante	59	0	59	0	59	0
Seville	728	343	2,067	1,001	5,020	2,249
Cadillac	4,837	5,665	15,284	20,081	27,756	38,405
Eldorado	359	473	1,110	1,531	3,622	3,360
Total Cadillac	6,280	6,965	19,378	23,951	38,235	46,736
Chevette	988	1,846	3,392	4,650	9,270	10,275
Nova	2,467	2,903	6,742	13,333	12,220	27,371
Cavalier	13,385	8,615	37,490	35,459	59,749	74,231
Citation	0	61	0	189	0	412
Camaro	4,461	3,833	11,956	10,468	19,061	20,350
Celebrity	9,800	8,543	28,102	31,629	49,765	68,103
Corsica/Beretta	1,075	0	2,962	0	3,668	0
Monte Carlo	1,487	2,299	3,945	6,805	8,144	13,696
Chevrolet	5,257	5,548	13,271	16,713	24,750	32,115
Corvette	636	735	1,787	1,879	3,346	3,856
Total Chevrolet	39,556	34,383	109,647	121,125	189,973	250,411
Firenza	311	737	918	2,287	2,344	4,964
Calais	2,810	2,833	8,039	7,839	14,531	15,474
Cutlass Ciera	6,832	6,457	18,761	28,690	36,837	60,324
Cutlass Supreme	3,400	4,496	9,989	20,333	16,758	42,999
Olds 88	4,672	3,968	12,986	12,083	23,824	23,665
Olds 98	1,534	4,205	4,537	13,697	9,229	26,465
Toronado	539	297	1,319	1,019	2,529	2,242
Total Oldsmobile	20,098	22,993	56,549	85,948	106,052	176,133
Fiero	1,323	1,423	3,916	5,181	6,719	11,304
1000	247	440	937	1,281	1,847	3,330
Sunbird	2,271	2,096	7,077	8,398	12,896	19,846
Firebird	1,874	1,863	5,664	5,283	9,452	12,618
Grand Am	4,096	4,228	15,658	12,984	31,496	28,528
6000	2,433	3,629	9,058	12,129	19,054	29,011
Bonn./Gr. Prix	507	957	1,817	4,161	3,143	8,848
Grand Prix	0	974	0	3,841	0	8,549
Parisienne/Bonn.	2,280	2,270	7,879	6,589	13,756	11,753
Total Pontiac	15,021	17,880	52,006	59,847	98,365	133,787
GENERAL MOTORS	95,588	103,898	277,956	351,587	510,463	727,940
VOLKSWAGEN	1,572	2,735	3,808	5,873	6,627	12,194
HONDA	14,104	7,191	27,851	14,637	47,749	27,900
NISSAN	3,501	2,578	7,200	6,643	13,769	12,846
TOYOTA	1,082	0	2,098	0	3,839	0
DOMESTIC TOTAL	198,818	186,354	556,953	612,632	984,631	1,248,536
IMPORT TOTAL			220,162	219,433	416,103	456,446
INDUSTRY TOTAL			777,115	832,065	1,400,734	1,704,982

SALES

Late sales rally isn't enough

Domestics decline, imports steady in February

By Roger Rowand
AUTOMOTIVE NEWS STAFF REPORTER

Sales of new cars built in the United States climbed in the final sales period of February. But the gain of 6.69 percent wasn't beefy enough to offset earlier slow sales, and the month ended with sales 6.60 percent below those of a year earlier.

The falloff came in spite of incentives flamboyantly proclaimed in attempts to lure more buyers into showrooms.

Deliveries of domestic cars in the month totaled 556,953, compared with 612,632 in February 1986.

Sales of imported cars in the month were virtually unchanged at 220,162 units, compared with 219,433 units a year earlier.

The imports claimed 28.33 percent of total U.S. sales of 777,115 new cars, compared with 26.37 percent of 832,065 in February 1986.

A decline in the daily selling rate for U.S.-built cars that began in the middle of the month continued.

Where the market was February 1987

	Total Sales	Pct. of Total
SUBCOMPACT	122,769	15.80%
COMPACT	138,960	17.88%
INTERMEDIATE	189,168	24.34%
STANDARD	59,847	7.70%
LUXURY	46,209	5.95%
IMPORT	220,162	28.33%
TOTAL	777,115	100.00%

The rate eased to 20,402 cars a day from 20,889 in mid-month. However, at an average of 20,853 for all of February, it was well above the daily average selling rate in January of 16,202.

In February 1986, the daily selling rate was 25,526 cars per day.

In an otherwise undistinguished month in terms of sales, Honda dealers delivered 90.28 percent more Ohio-built cars than they did in February 1986.

A gain of 6.90 percent was reported by Ford Motor Co. domestics and one of 5.22 percent by Nissan for its U.S.-built cars.

A drop of 61.36 percent was noted by American Motors while Volkswagen dealers sold 35.16 percent fewer U.S.-built cars.

General Motors dealerships delivered 20.94 fewer domestic cars and those of Chrysler 2.26 percent fewer.

In the month's final period, AMC rang up a decline of 65.34 percent, Volkswagen 42.52 percent and GM 7.10 percent.

Honda sales climbed 96.13 percent. Chrysler's were up 11.29 percent. Nissan dealers' climbed 35.80 percent and Ford dealers 29.32 percent. Figures are for U.S.-built cars only.

Toyota, the eighth U.S. maker and in its first year as a builder of cars in this country, sold 2,098 California-built cars in the month.

There were seven selling days in the Feb. 21-28 period this year and last. There were 24 selling days in February in both years.

Dispatches from the market-share front at the close of February indicated a state of flux with gains and losses spread across the board.

Ford's share of the total market increased to 20.21 percent from 17.65 percent in February 1986. Chrysler's increased to 10.10 percent from 9.65 percent, while Honda's share grew to 3.58 percent from 1.76 percent. Nissan's share rose to 0.94 percent from 0.83.

GM's piece of the industry sales pie was reduced in the month to 35.77 percent from 42.25 percent a year earlier.

AMC's market share was 0.34 percent, down from 0.78 percent. VW's was 0.49 percent, off from the 0.71 percent of a year before.

Toyota took a 0.24 percent slice of industry sales in the U.S. with its U.S.-built cars during the month.

Imports took a 28.33 percent market share in February this year and 26.37 percent a year before.

There was a similar degree of shifting in shares of the February domestic car market as well, according to Automotive News analysis.

GM's share of sales of cars made in this country dipped to 49.91 percent from 57.39 a year before. AMC's share fell to 0.46 percent from 1.06 percent. VW's dipped to 0.68 percent from 0.96 percent.

Ford's share of the domestic market this February was 28.19 percent, up from 23.98 percent a year earlier. Chrysler's rose to 14.10 percent from 13.10 percent while Honda's rose to 5.00 percent from 2.39 percent. Nissan posted a rise to 1.29 percent from 1.12 percent and Toyota's share of domestic sales was 0.37 percent.

Claude N. Moore, vice president in charge of the GM Customer Sales and Service Staff, had an upbeat comment on the month's results.

"GM sales in February began their recovery from the low point reached in January," he said. "We expect the improvement to continue in coming months.

"Economic factors, including positive consumer attitudes about buying a new vehicle, remain favorable," he said.

Moore described customers in the current market as being "very value conscious."

Ford Motors' Louis E. Lataif, vice president sales operations, North American Automotive Operations, said the market in February was weaker than he had expected it would be.

U.S. CAR SALES BY MARKETING UNITS

	Feb., 1987	Feb., 1986	2 Mos., 1987	2 Mos., 1986
Chevrolet	118,462	131,323	208,716	270,590
Ford	112,919	99,337	188,772	200,940
Oldsmobile	56,549	85,948	106,052	176,133
Toyota	36,811	40,012	67,857	85,297
Pontiac	52,006	59,847	98,365	133,787
Buick	40,376	60,716	77,838	120,873
American Honda	56,704	48,443	102,751	98,724
Nissan	48,861	37,554	91,397	80,894
Dodge	37,118	35,547	63,429	69,581
Mercury	34,951	37,511	58,042	74,849
Plymouth	31,407	31,409	54,862	64,194
Chrysler	19,673	24,597	32,063	47,844
VWoA	14,129	20,805	24,594	42,744
Hyundai	18,656	588	36,662	588
Cadillac	19,378	23,951	38,235	46,736
Mazda	10,049	19,448	21,092	38,441
Subaru	12,347	14,664	21,081	31,171
Lincoln	9,647	11,338	19,383	22,852
Volvo	9,043	9,043	21,662	21,123
BMW	6,560	6,502	11,573	12,546
Mercedes	8,088	7,459	14,174	15,067
AMC-Renault	2,501	6,779	4,922	13,518
Saab	3,265	3,231	6,946	6,448
Mitsubishi	5,314	4,758	7,640	8,848
Yugo	5,059	1,736	9,233	4,559
Porsche	1,815	2,129	3,469	3,862
Jaguar	1,466	1,673	2,523	2,684
Isuzu	1,622	4,129	3,572	7,013
Peugeot	639	1,154	1,558	2,113
Alfa Romeo	597	297	1,108	701
Maserati	60	137	120	262
Sterling	1,043	—	1,043	—
TOTAL	777,115	832,065	1,400,734	1,704,982

Chevrolet includes Sprint and Spectrum. Honda combines imports and domestics and Acura. Dodge includes Colt, Conquest, Vista. Plymouth includes Colt, Conquest, Vista. VWoA includes Audi. Nissan includes Sentras built in the U.S. Mercury includes Merkur.

IMPORTED CAR SALES

	Feb., 1987	Feb., 1986	2 Mos., 1987	2 Mos., 1986
Acura	7,056	—	12,723	—
Alfa Romeo	597	297	1,108	701
Audi	1,972	4,664	4,044	9,777
BMW	6,560	6,502	11,573	12,546
Chevrolet Spectrum	5,205	5,104	11,261	9,867
Chevrolet Sprint	3,610	5,094	7,482	10,312
Chrysler Conquest	995	—	1,579	—
Dodge Colt	2,838	4,017	5,650	8,299
Dodge Conquest/Vista	1,237	1,365	2,250	2,789
Honda	21,797	33,806	42,279	70,824
Hyundai	18,656	588	36,662	588
Isuzu	1,622	4,129	3,572	7,013
Jaguar	1,466	1,673	2,523	2,684
Maserati Biturbo	60	137	120	262
Mazda	10,049	19,448	21,092	38,441
Mercedes-Benz	8,088	7,459	14,174	15,067
Merkur	481	1,288	896	2,363
Mitsubishi	5,314	4,758	7,640	8,848
Nissan	41,667	30,711	77,628	68,048
Peugeot	639	1,154	1,558	2,113
Plymouth Colt	2,838	4,309	6,188	8,996
Plymouth Conquest/Vista	1,639	1,540	2,726	3,018
Porsche	1,815	2,129	3,469	3,862
Renault	0	307	0	657
Saab	3,265	3,231	6,946	6,448
Sterling	1,043	—	1,043	—
Subaru	12,347	14,664	21,081	31,171
Toyota	34,713	40,012	64,018	85,297
Volkswagen	8,349	10,268	13,923	20,773
Volvo	9,043	9,043	21,662	21,123
Yugo	5,059	1,736	9,233	4,559
TOTAL	220,162	219,433	416,103	456,446

PRODUCTION

U.S. CAR	Week Ended March 7, 1987	Week Ended March 8, 1986	Week Ended Feb. 28, 1987	Feb. Total	Jan. 1 to March 8, 1986	Jan. 1 to March 7, 1987
AMERICAN MOTORS	800	1,630	770	2,978	8,881	6,894
Renault Total	800	1,630	770	2,978	8,881	6,894
Alliance	800	1,440	770	2,978	7,850	6,894
Encore	0	190	0	0	1,031	0
CHRYSLER MOTORS	23,000	31,329	28,142	110,552	283,560	235,134
Plymouth Total	8,500	8,402	10,895	43,004	76,326	90,490
Horizon	3,000	3,026	3,587	15,236	28,929	33,310
Sundance	2,000	0	2,534	9,585	0	20,323
Reliant	2,700	3,535	3,098	12,255	35,228	25,077
Caravelle	1,200	1,391	1,672	5,924	11,871	11,776
Gran Fury	0	450	4	4	2,296	4
Chrysler Total	6,200	10,877	7,204	26,748	103,859	54,847
Laser	0	1,089	0	0	9,909	0
LeBaron K	1,800	2,193	2,001	8,149	25,130	16,234
LeBaron J	1,800	0	1,810	7,146	0	14,962
LeBaron GTS	700	2,549	995	3,890	22,599	7,465
New Yorker/E-Class	1,400	1,806	1,883	7,048	14,502	15,171
Fifth Avenue	500	3,238	515	515	31,710	1,015
Dodge Total	7,900	12,050	10,043	40,800	101,395	89,797
Daytona	800	1,022	899	3,600	9,380	7,430
Omni	2,200	3,170	2,943	12,929	29,581	26,174
Shadow	1,700	0	2,259	8,732	0	18,419
Aries	2,000	3,067	2,310	9,399	24,724	21,120
Dodge 600	800	2,027	1,059	3,980	15,604	9,457
Lancer	400	1,957	559	2,156	17,385	5,193
Diplomat	0	807	4	4	4,721	4
FORD MOTOR	43,864	40,823	44,293	175,351	336,606	388,232
Ford Division	31,208	28,222	30,242	119,881	228,921	266,145
Escort	8,362	8,980	7,415	30,550	70,449	68,470
Mustang	5,260	4,419	4,595	18,800	38,716	42,241
Tempo	4,535	4,915	3,999	16,400	40,515	37,321
Taurus	9,658	6,235	10,387	41,663	38,998	91,539
Thunderbird	3,393	3,693	3,846	12,468	34,243	26,574
L-M Division	12,446	12,601	14,051	55,470	107,687	122,087
Mercury Total	8,369	8,337	9,962	41,195	71,587	88,040
Lynx	1,112	1,333	1,449	6,056	13,471	12,130
Capri	0	194	0	0	3,399	0
Topaz	963	1,393	1,254	5,232	13,184	11,597
Cougar	3,349	2,473	4,056	16,950	22,623	36,326
Sable	2,945	2,944	3,201	12,957	18,910	27,987
Lincoln Total	4,077	4,284	4,089	14,275	36,100	34,047
Continental	407	475	410	1,425	4,152	3,409
Lincoln	3,059	3,199	3,067	10,703	27,084	25,533
Mark VII	611	590	612	2,147	4,864	5,105
GENERAL MOTORS	91,113	97,989	85,107	345,410	912,800	736,361
Buick Total	13,492	14,718	13,720	54,393	143,643	123,311
Skyhawk	908	1,723	849	4,025	17,056	9,027
Century	4,543	4,825	4,397	17,805	47,253	38,748
Regal	855	1,418	1,276	4,376	7,978	8,904
Somerset/Skylark	2,045	1,798	1,671	6,135	18,309	17,077
LeSabre (fwd)	1,935	2,709	2,278	9,170	18,374	19,581
LeSabre/Electra (rwd)	290	364	231	1,427	2,405	4,302
Electra (fwd)	2,381	1,480	2,585	10,086	28,413	20,305
Riviera	535	400	443	1,569	3,855	5,290
Cadillac Total	8,690	6,540	7,947	29,144	58,021	66,210
Cimarron	425	693	360	1,576	4,416	4,164
Allante	45	0	47	204	0	416
Brougham (rwd)	2,772	1,993	2,705	8,721	14,783	18,030
DeVille (fwd)	4,000	3,142	3,985	15,716	32,006	33,649
Eldorado	405	427	406	1,333	4,006	3,526
Seville	443	294	424	1,594	2,930	6,425
Chevrolet Total	35,837	31,988	30,550	127,553	305,397	287,779
Chevette	0	2,913	0	0	23,718	0
Camaro	3,090	4,962	1,061	9,604	46,773	18,834
Cavalier	8,500	8,919	8,272	32,353	86,240	66,405
Celebrity	8,665	7,641	8,250	32,550	60,088	73,747
Corsica/Beretta	7,535	0	5,390	21,995	0	48,383
Monte Carlo	2,074	2,710	1,245	6,282	23,984	12,043
Chevrolet	5,333	4,054	5,702	22,213	58,579	40,575
Corvette	640	789	630	2,576	4,015	5,801
Oldsmobile Total	17,567	24,633	18,088	66,447	233,857	142,956
Firenza	310	1,193	284	1,786	10,025	4,433
Calais	2,755	3,302	2,834	10,432	30,231	23,484
Cutlass Ciera	3,574	5,098	4,926	19,295	61,902	36,826
Cutlass Supreme	2,423	4,236	1,619	5,453	42,934	8,585
88 (fwd)	5,363	7,603	5,505	20,486	53,199	42,902
88 (rwd)	404	350	427	1,638	4,987	3,744
Olds 98	2,311	2,564	2,156	8,230	27,834	17,105
Toronado	427	287	317	1,125	2,745	3,878
Pontiac Total	16,127	20,101	14,822	65,873	171,882	138,105
Acadian*	0	547	0	0	2,670	0
Fiero	1,200	3,343	1,004	3,803	16,225	6,498
1000	0	966	0	0	7,323	0
Firebird	2,360	2,646	1,098	8,671	25,551	15,708
2000 Sunbird	2,964	3,174	2,770	10,756	27,890	22,206
Grand Am	3,921	4,564	4,958	22,394	42,154	47,320
6000	2,222	3,235	1,643	6,402	31,284	15,555
Bonneville	3,150	0	3,198	12,590	0	28,600
Safari/Parisienne	310	1,624	181	1,257	18,785	2,218
HONDA	7,315	3,506	6,707	27,833	34,905	63,499
Civic	1,845	0	1,998	10,331	0	24,970
Accord	5,470	3,506	4,709	17,502	34,905	38,529
NISSAN	2,920	1,783	2,945	11,570	17,815	26,212
NUMMI	4,000	3,250	4,000	16,484	24,480	36,620
Corolla	750	0	800	3,233	0	7,427
Nova	3,250	3,250	3,200	13,251	24,480	29,193
VOLKSWAGEN	2,000	2,006	2,001	6,017	16,377	13,945
Golf/GTI	1,750	2,006	1,751	5,267	16,377	12,195
Jetta	250	0	250	750	0	1,750
Total Cars, U.S.	174,902	182,516	173,985	696,195	1,635,446	1,508,897
Total Cars, Canada	17,820	24,214	17,012	79,181	201,618	171,579
N. American Cars	192,622	206,730	190,977	775,376	1,837,064	1,680,476
N. American Trucks	98,286	93,763	97,215	389,239	853,667	849,277
North American Cars and Trucks	290,908	300,493	288,192	1,164,615	2,690,731	2,529,753

*—All Acadians are built for sale in Canada.

February auto output trails 1986 total

By Kathy Barbaglia
AUTOMOTIVE NEWS STAFF REPORTER

U.S. automakers built 696,195 car during February, 8.91 percent more than January's 639,223 but 0.93 percent below the year-ago months 702,698.

Last week's targeted production of 174,802 was 0.48 percent more than the previous week's 173,965 but was 4.23 percent below the year-ago week's 182,516.

So far this year, 1,508,897 cars have been assembled, 7.74 percent less than the 1,635,446 completed last year at this point.

Companies split last week's scheduled output as follows: General Motors, 52.13 percent; Ford Motor Co., 24.97 percent; Chrysler Motors, 13.16 percent; Honda of America Manufacturing Inc., 4.18 percent; New United Motor Manufacturing Inc., 2.29 percent; Nissan Motor Manufacturing Co., U.S.A., 1.67 percent; Volkswagen of America, 1.14 percent; and American Motors, 0.46 percent.

GM will lay off 3,500 workers today (March 9) at its Lansing, Mich., plant for inventory adjustment. They are scheduled to return March 23. Two car lines will be affected, Buick Somerset/Skylark and Oldsmobile Calais. The plant will continue to assemble the Pontiac Grand Am.

GM's Detroit-Hamtramck plant is down this week for inventory adjustment, affecting 2,000 workers. The plant is expected to resume output March 16.

GM's Norwood, Ohio, plant is idle this week because of a material shortage. The shutdown idles 3,500 workers. The plant is expected to resume output March 23.

Chrysler's Belvidere, Ill., plant goes down today (March 9) for an 18-week model changeover. A total of 2,800 workers will be on temporary layoff during that period.

When the Belvidere plant resumes output, it will produce the full-sized Chrysler New Yorker and the new Dodge Dynasty four-door sedans instead of the Omni/Horizon models which were previously assembled there.

Saturday (March 7) overtime was slated for GM's Linden, N.J., plant.

Ford scheduled Saturday overtime at its Dearborn, Mich., plant.

Daily overtime is scheduled for all Ford plants this week.

Chrysler had no Saturday overtime scheduled, however its Newark, Del., and Sterling Heights, Mich., plants are slated for daily overtime this week.

Truck production sets record

Truck production in February was an all-time high for that month. Output of 321,017 trucks topped the previous February record of 308,358 in 1979.

Last month's build was 2.98 percent higher than January's 311,736 and 8.65 percent higher than the year-ago month's 295,452.

Last week's scheduled output of 80,063 trucks was 0.63 percent more than the previous week's 79,560 and 7.61 percent more than the year-ago week's 74,403.

Year-to-date, 700,561 trucks have been built, 3.63 percent more than the 676,025 completed last year at this time.

General Motors slated Saturday (March 7) overtime at its Baltimore, and Pontiac, Mich., plants.

Ford Motor Co. scheduled Saturday overtime at three plants: Wayne, Mich.; Kansas City, Mo.; and St. Louis.

All Ford plants are slated for daily overtime this week (March 9).

Chrysler Motors' Warren, Mich., plant is scheduled for daily overtime this week.

Week's output climbs in Canada

Auto production in Canada totaled 79,181 units in February, 6.14 percent more than January's 74,603 but 10.80 percent below the year-ago month's 88,772.

Last week, automakers targeted production at 17,820 cars, 4.75 percent more than the previous week's 17,012, but 26.14 percent below the year-ago week's 24,214.

So far this year, 171,579 cars have been assembled, 14.98 percent below the 201,618 built last year at this point.

Truckmakers produced 68,222 units during February, 9.55 percent more than January's 62,277, but 10.33 percent below last February's 76,081.

Truck production totaled 18,223 units last week. It was 3.22 percent more than the previous week's 17,655, but 5.87 percent below the year-ago week's 19,360.

Year-to-date, 148,716 trucks have been built, 16.28 percent below the 177,642 assembled last year at this time.

CANADIAN CAR	Week Ended March 7, 1987	Week Ended March 8, 1986	Week Ended Feb. 28, 1987	Feb. Total	Jan. 1 to March 8, 1986	Jan. 1 to March 7, 1987
AMERICAN MOTORS	150	48	160	621	1,290	1,376
FORD MOTOR	11,645	10,700	11,044	44,806	105,440	100,475
GENERAL MOTORS	5,600	13,242	5,406	32,316	92,848	66,563
HONDA	200	0	177	561	0	1,140
VOLVO	225	224	225	877	2,042	2,025
Total Cars, Canada	17,820	24,214	17,012	79,181	201,618	171,579
U.S. TRUCK☆	Week Ended March 7, 1987	Week Ended March 8, 1986	Week Ended Feb. 28, 1987	Feb. Total	Jan. 1 to March 8, 1986	Jan. 1 to March 7, 1987
CHEVROLET	23,283	25,596	22,277	95,893	235,473	202,186
DODGE	5,000	0	5,221	21,177	0	44,062
FORD	33,765	31,203	33,297	130,694	278,830	293,652
GMC	7,825	7,486	8,483	32,206	70,410	69,762
NAVISTAR	1,610	1,497	1,621	6,134	13,917	13,950
JEEP	4,500	4,134	4,560	18,651	43,372	40,411
NISSAN	1,730	2,035	1,761	6,862	12,151	15,406
AM GENERAL*	50	50	50	200	472	450
MISCELLANEOUS*	2,300	2,400	2,300	9,200	21,400	20,700
Total Trucks, U.S.	80,063	74,403	79,560	321,017	676,025	700,561
CANADIAN TRUCK	Week Ended March 7, 1987	Week Ended March 8, 1986	Week Ended Feb. 28, 1987	Feb. Total	Jan. 1 to March 8, 1986	Jan. 1 to March 7, 1987
AMERICAN MOTORS	625	286	644	2,563	0	5,655
CHRYSLER	8,964	9,184	8,670	36,392	85,152	79,973
FORD	3,648	3,808	3,457	13,529	32,897	30,100
GENERAL MOTORS	4,786	6,071	4,684	14,956	57,879	31,200
NAVISTAR	200	211	200	788	1,714	1,788
Total Trucks, Canada	18,223	19,360	17,655	68,222	177,642	148,716
N. American Trucks	98,286	93,763	97,215	389,239	853,667	849,277

—Includes window van production. *—Estimated
☆Includes commercial only. AM General includes government-designed vehicles.
Miscellaneous includes estimates for Mack, Volvo-White, Kenworth, Peterbilt, Freightliner, Mitsubishi-Fuso, etc.

Toyota pushes Tercel; boosts supply, ads

By Cleveland Horton
CRAIN NEWS SERVICE

TORRANCE, Calif. — Toyota Motor Sales U.S.A. is responding to price competition from Detroit and other imports by boosting inventory and ad spending for its Tercel line.

Toyota is devoting 100,000-plus of its estimated 620,000-car allocation to its lowest-priced Tercel series. Toyota plans to import 33 percent more Tercels during the 1987 model year than in 1986.

In addition, Toyota will triple its second quarter Tercel ad spending to $5 million, representing one-fourth of its total car advertising for the period.

Toyota has begun airing a new 30-second TV commercial backing the midyear introduction of the $5,848 Tercel EZ.

"We hadn't advertised the Tercel a lot," said George Borst, corporate marketing manager. "But we want to show that we're not abandoning the low end."

The effort to preserve its share of the entry-level market follows Hyundai Motor America's stunning first-year sales of 201,328 Excels. However, Hyundai is only one of many auto marketers — both foreign and domestic — entering the under-$6,000 category.

Borst acknowledged that the Tercel ad spending is disproportionate to its volume. Toyota sold 76,914 Tercels last year, about half the number of either of its best-selling series, Corolla or Camry.

For Camry, Toyota will air a new 30-second spot promoting its high score for trouble-free operation in a survey conducted by J.D. Power & Associates.

Meanwhile, Toyota plans to break with tradition and respond directly to the extended warranties now being offered by Detroit automakers. A newspaper ad in USA Today and the Wall Street Journal says: "The Best Vehicle Warranty in the World. Toyota Quality."

"The issues raised by (the domestic auto marketers) is that warranties equal quality," Borst said. "It's just the opposite. If the quality was there, there wouldn't be a need for the warranties."

Toyota usually refrains from direct responses to claims of U.S. automakers, but in this case, "they attacked us in Toyota's backyard — quality," Borst said.

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INSIDE AUTO PACT

For 22 years, the U.S. and Canada have traded cars freely — but how long will it last?

By David Versical
AUTOMOTIVE NEWS STAFF REPORTER

On most any day, hundreds of car haulers rumble across the Ambassador Bridge, past the Canadian and American flags that mark the border over the Detroit River, and on to destinations all over the United States.

Haulers — and barges, too, when the river isn't frozen — loaded with cars, trucks and vans are not an unfamiliar sight to those who commute between the Motor City and Windsor, Ontario. Canada shipped $11.8 billion worth of passenger cars to the U.S. last year — more than twice the amount we delivered to our northern neighbor.

That figure — combined with sparkling new plants in such places as Bramalea, Ontario — is testimony to the strength of Canada's auto industry. And much of that vigor stems from 22 years of barrier-free trade brought about by an agreement known as the U.S.-Canada Auto Pact — a pact that in recent months has come under fire.

see AUTO PACT, page 19

Cover photo by Joe Wilssens

Automotive News

March 16, 1987

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Chrysler is planning to dismantle AMC

By Mary Connelly
AUTOMOTIVE NEWS STAFF REPORTER

Chrysler Corp. expects to dismantle American Motors and absorb the company into Chrysler Motors by the end of the year if its planned purchase of AMC is completed by mid-June.

Acquisition costs vary depending "on how you keep score," Chrysler Corp. Vice Chairman Robert S. Miller Jr. told Automotive News. Miller said the price could mount to $2 billion.

Initially, AMC will be a free-standing subsidiary of Chrysler Corp., if the planned purchase receives the approval of the AMC board of directors and stockholders and the U.S., French and Canadian governments.

"The free-standing subsidiary concept will only be transitory," Chrysler Corp. Vice Chairman Bennett E. Bidwell said in an interview with Automotive News. "If the deal is consummated, it would be our intent to bring it within the purview of Chrysler Motors expeditiously."

Bidwell declined comment on when the subsidiary would be absorbed into Chrysler Motors. A source said the action would be expected by year-end.

The intended purchase of AMC will give Chrysler the Jeep products described by Chrysler Chairman Lee Iacocca as "the best-known automotive brand name in the world;" a new $400 million assembly plant in Bramalea, Ontario, with an estimated annual capacity of 200,000 units; and a network of 1,472 AMC-Jeep-Renault dealers who will remain independent.

Addition of Jeep products will catapult Chrysler into the compact sport/utility vehicle market which accounted for 600,000 sales last year.

"If we should succeed in consummating the deal, we obviously would get a boost in truck penetration because of Jeep volume," Bidwell said, adding that the proposed acquisition "in terms of cars is not that big a deal at present."

Bidwell said Chrysler "would have no plans at this time to unilaterally expand the Jeep franchise."

The letter of intent between Chrysler Corp. and Regie Nationale Des Usines Renault, which owns 46.1 percent of AMC, provides that Chrysler will proceed with the planned manufacturing of the 1988 mid-sized Renault Premier at the Bramalea plant and will continue the AMC program to import the compact Renault Medallion. The Medallion went on sale this month.

Bidwell said Chrysler has "a commitment with Renault to serve as distributor of Medallion for a period of approximately five years but with no volume commitment."

Miller said Chrysler has agreed to sell at least 300,000 Premier units between 1988 and 1992 or else pay a penalty to Renault although there has been no decision under which brand name the vehicles will be marketed. Plans call for introducing the Premier this fall and the X59 coupe next year.

see AIR BAGS, page 57

THE PRIZES

Chrysler lured by AMC's new $400 million plant in Bramalea, Ontario, and by Jeep lineup

THE DEAL

- Chrysler Corp. pays an estimated $757 million to $1.1 billion to acquire American Motors.
- Chrysler's big gains are the Jeep line and name, and AMC's new $400 million Bramalea assembly plant in Ontario, Canada.
- The move could put Renault in the black for 1987 and hasten its privatization by the French government.
- Chrysler agrees to distribute the Renault Medallion and to manufacture the Renault Premier.
- Chrysler's timetable calls for finalization of the deal by mid-June.

AMC sale boosts Renault's recovery plans

By Richard Johnson
AUTOMOTIVE NEWS STAFF REPORTER

FRANKFURT, West Germany — The decision to sell its controlling interest in American Motors may put Renault into the black for 1987 and hasten the French government's plans to make the state-owned company a private concern.

The move also appears to make Renault a more formidable competitor in Europe, where it can concentrate resources, while sacrificing ambitions to become a global automotive force.

Renault went to the brink with AMC, but with its own fragile recovery underway, decided at the last minute not to assume the full risk of a major new-product launch in the United States.

The French automaker decided to withdrew just as AMC was coming on stream with three promising new Renault models, a new assembly plant in Canada and a scaled-down cost structure that helped AMC achieve a fourth-quarter profit.

The deal holds out the prospect of closer collaboration between Chrysler and Renault on marketing and product development ventures. But industry analysts here question how well the two firms complement one another, especially in Europe.

The transaction also leaves several other unresolved issues:

- The long-term impact on French jobs linked to the United States.
- The future of Jose Dedeurwaerder, Renault sales and marketing director and former AMC president, who was seen as a strong supporter of maintaining the partnership.
- Plans for the low-volume, high-price Renault Alpine sports car scheduled to be introduced in the United States later this year.
- Renault's commitment to Mack Trucks, in which it holds a 42 percent stake.

see RENAULT, page 55

Daimler-Benz battles itself

By Richard Johnson
AUTOMOTIVE NEWS STAFF REPORTER

FRANKFURT, West Germany — A "war" being waged in the boardroom at Daimler-Benz has apparently weakened the position of Chairman Werner Breitschwerdt and may speed his retirement.

Finance chief Edzard Reuter last week was given broad new powers as the company's unmistakable No. 2 man. Many observers view Reuter's new post of deputy executive chairman as a prelude to his eventual ascension to the top job — probably after Breitschwerdt's contract expires in late 1988, but possibly sooner.

The issue should come to a head later this year. Contract extensions at German companies are typically decided one year before expiration.

West Germany's largest, most prestigious industrial enterprise has reportedly been steeped in personal conflicts ever since Breitschwerdt was appointed chairman in 1983 over Reuter and passenger-car chief Werner Niefer.

But a series of external pressures and internal changes have brought Daimler's underlying hostilities to the surface.

For example, recent complaints from West German tax drivers about Mercedes-Benz quality pro-

Chairman Werner Breitschwerdt, right; new No.2 Edzard Reuter, below; and cars head Werner Niefer, below right

vided a forum for Niefer, one of Breitschwerdt's supposed critics on the board, to make a thinly veiled criticism of the chairman.

And a management board restructuring said to have been prompted by Reuter has given rise to further squabbling as board members consolidate power.

Reuter, the architect of Daimler's diversification strategy, has been widely viewed as Daimler's de facto chief executive. Some assessments of Breitschwerdt go so far as to brand him a figurehead chairman.

Though Daimler said last week that Breitschwerdt will retain all his duties and powers in the wake of Reuters's promotion, his authority seems undermined.

A few industry observers in West Germany said they expect Breitschwerdt to be unseated before his five-year contract expires in late 1988. But the pattern that appears to have emerged is one in which Reuter may assume the chairman's

see DAIMLER, page 54

$259 million lost by VW in foreign-currency scam

By Richard Johnson
AUTOMOTIVE NEWS STAFF REPORTER

FRANKFURT, West Germany — Volkswagen Group said it lost $259 million (480 million German marks) last year as the direct result of a foreign exchange swindle involving corporate funds.

Despite the shortfall, VW said it will report 1986 net profits about the same as the 596 million marks achieved in 1985 — slightly better than forecasts — and that it will go ahead with planned dividend payments.

The 596 million marks is about $320 million at current exchange rates.

The automaker said, "It is strongly suspected that illegal activities to the company's detriment underlie Volkswagen AG's foreign currency losses." But few details were given.

The company's news release declined to identify the individuals or organizations suspected, but said a VW insider may have participated.

The announcement caused the price of VW stock to plunge on the Frankfurt exchange and also touched off speculation in the financial community about the nature of the fraud and who may be involved. And there was widespread dismay among analysts that VW let controls get so far out of hand.

"They have egg on their faces," said Stephen Reitman, a German specialist at Phillips and Drew in London.

Even acknowledgement that VW was hedging currency took many analysts by surprise last week. Volkswagen has said in the past that it is philosophically opposed to hedging as protection from dollar/mark swings.

All other major West German

see TRADING, page 54

TRADE: *Compromise bill allows president to use tariffs — not quotas — to curb imports*

By Geoff Sundstrom
AUTOMOTIVE NEWS STAFF REPORTER

WASHINGTON — Trade legislation was unanimously approved by a key House subcommittee late last week. Leading Democrats toned down earlier proposals to win qualified support from the White House.

The bill moves to the full Ways and Means Committee this week.

The package is a combination of the bill approved last year by the House and a broad "competitiveness " bill prepared by the administration.

U.S. Trade Representative Clayton Yeutter called the subcommittee's bill "a substantial improvement" over last year's legislation. The breakthrough came when the chairman of the trade subcommittee, Sam Gibbons, D-Fla., and Ways and Means Committee Chairman Dan Rostenkowski, D-Ill., offered compromise legislation that toned down a provision setting mandatory reductions in the nation's trade deficit.

The so-called Gephardt amendment — named for sponsor Richard A. Gephardt, D-Mo. — had drawn threats of a veto from the Reagan administration because it called for import quotas against countries that do not reduce their trade surpluses with the United States.

The bill allows the president to impose tariffs against nations that maintain unfair trade practices, but not quotas.

Gephardt said he will try to restore the original language of his amendment this week.

Overall, the bill would make it easier for U.S. industries to win government protection from sudden increases in imports or unfair trade practices. It would provide more government aid for workers who lose their jobs due to imports.

The legislation makes changes in a workers' rights provision included in last year's bill by eliminating unfair wage and working conditions.

Trade observers here say Rostenkowski is attempting to lull the administration into accepting a tougher bill while persuading more-protectionist-minded Democrats that they should vote for a bill the president will sign.

Chrysler lobbies suppliers

By Al Fleming
AUTOMOTIVE NEWS STAFF REPORTER

Chrysler Motors has invited automotive suppliers to attend what is termed a "very important meeting" regarding trade legislation issues.

The meeting, to be held March 23 at the Michigan Inn, Southfield, Mich., will include presentations by Lee A. Iacocca, Chrysler Corp. chairman; David Platt, Chrysler Motors vice president — procurement and supply; Robert W. Galvin, chairman of Motorola Inc.; and other Chrysler executives.

According to a Chrysler source, 300 letters of invitation were sent.

At the evening gathering, suppliers will be asked to join together to express their views on trade legislation in order to "insure" that legislation adopted is "fair to the auto and auto supply industries."

Chrysler has been one of the most vociferous industry critics of U.S. trade policies, the trade deficit and the growth of import-vehicle sales and Japanese transplant operations in the United States.

Also speaking at the meeting will be Harold K. Sperlich, Chrysler Motors president, and Robert A. Perkins, Chrysler Corp. vice president — federal government affairs.

Chrysler may buy more in Brazil

By Rik Turner
STAFF CORRESPONDENT

SAO PAULO, Brazil — Chrysler Corp.'s Brazilian auto parts exports could climb to $75 million during the next model year.

Pedro Eberhardt, who serves as president of Sindipecas, this country's auto parts manufacturers' association, believes Chrysler may boost purchases from $28 million this model year.

Last month in Detroit, Eberhardt met with Chrysler Motors Chairman Gerald Greenwald and Conrad Cohen, the company's director of international procurement. He returned to Brazil convinced that Chrysler is seeking to increase its supplier base here.

Another source at Sindipecas said 10 Brazilian auto parts manufacturers currently sell parts to Chrysler.

The Sindipecas president sought to reassure Chrysler that, with the expected downturn in domestic demand in Brazil this year, the industry would have no trouble meeting export orders.

Diamond-Star may go to 60% U.S. content

By Geoff Sundstrom
AUTOMOTIVE NEWS STAFF REPORTER

TAMPA, Fla. — Chrysler Corp. and Mitsubishi Motors Corp. may increase to 60 percent the planned U.S. content of vehicles produced by their joint-venture company, Diamond-Star Motors.

Chrysler Motors Chairman Gerald Greenwald said currency exchange rates and more competitive parts manufacturing in the United States have caused Chrysler and Mitsubishi to re-examine their sourcing decisions.

"We once had thought we'd be buying about 60 percent of our components from Japan and only about 40 percent from U.S. suppliers. With the change in the yen, that ratio is beginning to flip-flop in favor of good old America," he told the annual convention of the American Car Rental Association here.

An official of the U.S. Commerce Department's Foreign Trade Zones Board in Washington said Chrysler is preparing an amendment to its subzone application for Diamond-Star. He said Chrysler is expected to reduce foreign content.

The Diamond-Star plant in Bloomington-Normal, Ill., is scheduled to begin producing cars in 1988.

Greenwald said Chrysler Corp. sees "1987, and the years immediately following, as an unparalleled opportunity for an American car company . . . to actually get the jump on the Japanese." He said Japanese vehicle manufacturers are "staggering" from currency changes.

"So far, the yen has strengthened by about 50 percent since September 1985," he said. "Think of that: How would you like to swallow a 50 percent price cut on virtually your only money-making operation?"

Greenwald added, "That, in essence, is what the Japanese are trying to live with right now. America was the only place in the world where they made money, and now they're taking a bath here — even a bigger bath as they try to cling to market share by refusing to raise prices significantly."

Greenwald said the Japanese are cutting back on research and development, closing plants and laying off workers in Japan. He added, "Hell, we even understand they're telling their executives to ride coach on the Bullet train. And some Japanese bankers are even hinting at the need for mergers in order to hold the industry together."

Greenwald added, "We see opportunity in all that Japanese distress."

He said Chrysler is committed to a program to cut costs by another 30 percent and to raise quality an additional 60 percent by 1991. It also is committed to a record investment program of $12.5 billion for new products and plant improvements during the same period, he said.

Chrysler previewed the new C-body Dodge Dynasty at the convention, along with a LeBaron J convertible. The Dynasty is a full-size, V-6-powered four-door sedan that will be introduced before the end of the year.

Greenwald said that the new Dodge Shadow and the Plymouth Sundance have captured 6 percent of their retail segment — "which just happens to be the same amount (Chevrolet) Cavalier has lost."

On the subject of retail incentive programs, Greenwald said, "Nothing would please me more than to be able to announce, right here and now, that Chrysler will never have another retail program. . . .

"But let's face it, as strong as we've become, little ole Chrysler still can't call the tune in the market place. All we can do — and we have to do it — is respond competitively when Roger Smith puts on his midnight-madness suit and starts in with the giveaways."

Chrysler previewed its forthcoming full-sized C-body car, Dodge Dynasty

Domestic stocks dip; import inventories up

By Roger Rowand
AUTOMOTIVE NEWS STAFF REPORTER

New-car dealers managed to reduce inventories of U.S.-built cars last month, while stocks of imports grew a bit.

Because there were no broadsword slashes in U.S. production in February, the inventory reductions clearly reflect a quickening pace of sales.

The daily selling rate for U.S. cars in February averaged 23,206 units, up from 18,180 in January.

From a days' supply standpoint, the domestic-car situation improved significantly. The inventory of cars at dealerships and in transit on March 1 was sliced to an 81-day supply from the 105-day supply on Feb. 1. It remained substantially higher than a year before, however, when the days' supply was 73.

While improving as the year progresses, the domestic inventory situation still is far from bright. Industry authorities say the ideal supply is about 60 days.

The inventory of domestic vehicles as of March 1 stood at 1,869,591 units compared with 1,734,299 on Feb. 1 and 1,867,265 on March 1, 1986. The March 1987 figure was the highest since May 1986 when there were 1,945,048 U.S.-built cars in the stockpile.

The count of foreign cars in inventory at ports of entry, in transit to dealerships in the United States and at dealerships as of March 1 was 531,520 units, a record for March 1. The total compared with 471,547 on Feb. 1 and 333,893 on March 1, 1986, according to an Au-

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Canadian workers don't expect miracles in new pact

By Louise Kertesz
AUTOMOTIVE NEWS STAFF REPORTER

As the Canadian Auto Workers (CAW) gears up for bargaining with the Big Three automakers this summer, union president Robert White has no illusions that a new era of cooperation and worker participation has dawned.

"It's good that some of these things are happening," he said, referring to new types of work structure such as team production.

But as for what he calls real participation — "the corporation giving up a significant part of its power to workers — I don't see any indication that's happening." he said.

Workers at General Motors' Ste. Therese, Quebec, plant recently became the first group in an operating Canadian plant to institute the team concept contractually.

"Workers are having more input into jobs on the shop floor," White said. "But they won't be making major decisions in the near future. We shouldn't fool people that we're moving toward that."

He said that is why the CAW is focusing on the realities of work in the auto factory and on making that work secure.

"Work life on the shop floor is improving, but we can't say we've found the solution to making people happy, because it's still work, eight hours a day, maybe for 25 years," he said.

"It's repetitive, it's fairly boring. We can't change it that much. We shouldn't try to fool people that we can."

White praised the strides made at the Ste. Therese plant under the leadership of Gary Henson, the new plant manager, and Paul Morin, new chairman of CAW Local 1163.

White

Recently, a year after being told their plant was in danger of closing, Ste. Therese workers learned they are to build the A-cars, which are being moved from GM's Oshawa, Ontario, plant so it can build GM-10 cars.

In September, workers at Ste. Therese approved a contract with reduced classifications and team production. At that time, GM of Canada President George A. Peaples said the new agreement made possible a new exploration of opportunities for the plant.

But White said that the work preceding the new agreement was as significant — if not more important — than the new contract.

"There is no question that Ste. Therese has turned around significantly," White said.

"I was down there for the announcement (that the A-cars would be built at Ste. Therese), and I was surprised at the good reception the workers gave the plant manager."

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